

## MICHIGAN

Elmer C. Clute, Harrison.  
Adrian J. Westveer, Holland.  
Bird L. Hight, Howell.  
Clyde E. Dohm, Sodus.

## MINNESOTA

Charles W. Patsold, Cambridge.  
Jennie L. Phillips, Clearwater.  
Christ Bottge, Correll.  
Ida V. Lund, Farwell.  
Edwin H. Anderson, Monticello.  
Alvin A. Ogren, New London.  
George Neumann, Osseo.  
Maggie N. Halgren, Wahnkon.  
Emory B. Linsley, Willow River.

## NEBRASKA

Orin J. Schwieger, Chadron.  
Wesley E. Snider, Osceola.

## NEW JERSEY

George Coleman, Delanco.  
Winifred E. Lindstedt, Helmetta.  
Jacob D. Roe, Newton.  
Ida H. Collom, Pemberton.  
Raymond Johnson, Riverside.  
G. Raymond Beck, Roebbling.  
Hillis K. Colkitt, Vincentown.

## NEW YORK

Clayton M. Card, Amenia.  
Ethel M. Bluestone, Canaseraga.  
Margaret M. Senecal, Champlain.  
Henry E. Thompson, Chateaugay.  
Daniel T. Evans, Chittenango.  
Berton G. Johnson, Cooperstown.  
Clifford C. Wenzel, Deferiet.  
Elmer C. Wyman, Dover Plains.  
Clinton H. Card, Fredonia.  
Clarence E. Snyder, Glenfield.  
William L. Froehley, Hamburg.  
Ralph D. Sanford, Hammondsport.  
Mary A. Blazina, Harrison.  
Albert F. Becker, Livonia.  
George W. Millicker, Mahopac Falls.  
George B. Bradish, Malone.  
Warren C. Edgar, New Hamburg.  
Ralph F. Spaulding, Piermont.  
Kate L. Holden, Peru.  
Austin E. Hummel, Prattsville.  
George A. Hager, Watertown.  
Thomas Wheatcroft, Watervliet.

## NORTH CAROLINA

Ida L. Dennis, Fuquay Springs.  
James W. Stanton, La Grange.  
Nora Stedman, Moncure.  
James M. Thrasher, Stoneville.  
Fronie L. Perry, Wingate.

## SOUTH CAROLINA

Malcolm J. Stanley, Hampton.  
Thomas W. Blakely, Langley.  
James V. Askew, jr., Lockhart.  
William J. Hughes, Loris.  
Bessie T. Cooper, Mayesville.  
Neely J. Smith, Ridgeville.  
Ben Harper, Seneca.

## TENNESSEE

Baltis L. Kemp, Adamsville.  
Herschel H. Tatlock, Covington.  
Samuel W. Ingersoll, Decherd.  
James Rogers, Dyer.  
William G. Leach, Huntingdon.  
Lonnie A. Jernigan, Manchester.  
Gertrude Jamison, Millington.  
Alvin L. Henderson, Tracy City.  
Jesse C. Watson, Waverly.

## TEXAS

Lela T. Toone, Brownfield.

## VERMONT

Paul W. Higbee, Proctor.

## HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 29, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We would behold the vision of the Most High God. It is only as we rise by faith, by prayer, and by contemplation that evil loses its power. By the majesty of Thy truth, by the attraction of Thy beauty, by the charm of Thy love, and by virtue of the ideals of the Teacher of Nazareth will the embellishments of human life be realized. Deliver us from any false standards and let us see the light in Thy light. Almighty God, breathe into our breasts that power that shall redeem us from any mental confusion. Lift us up into that sphere in which we shall be in unison with Thy purpose. O fill us all with a divine impulse that shall strike any overhanging cloud through and through with light-bearing devotion and sacrifice to our country's needs. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2967. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.

The message also announced that the Senate had agreed to the amendment of the House to a bill of the Senate of the following title:

S. 3270. An act for the relief of Daniel S. Schaffer Co. (Inc.).

## THE MISSION OF THE PROGRESSIVES IN THE PRESENT CONGRESS

Mr. LA GUARDIA. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert therein a speech made by me over the Columbia network on April 4, 1932.

The SPEAKER. Is there objection?

There was no objection.

Mr. LA GUARDIA. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address over the Columbia Broadcasting System by myself, Monday, April 4, 1932, from Columbia's studios in Washington:

The mission of the progressives in Congress—and I speak for my colleagues in the House of Representatives only—is mainly to keep legislation abreast of the times. We seek to translate into legislation promises and pledges made by both parties in platforms and in campaign speeches before election. I say pledges made by both parties, because on popular issues and necessary economic reforms there is very little difference in these campaign pledges and promises. Often we believe that remedies suggested or reforms proposed do not go far enough, and in these instances we seek to set the pace in an effort to reach the mark and effect the desired result.

Progressives believe that a plank in the platform or a campaign pledge is a solemn promise which must be kept. We are not satisfied to talk about issues. We propose remedies and insist upon their enactment into law. We grow tired of platitudes and demand action. We believe in representative government and insist upon Congress functioning as such and in keeping with original American traditions.

The most useful purpose of the progressives is our fundamental belief that legislation should be considered from a national viewpoint and not in accordance with local or sectional interests. We believe in this country as one nation. We have learned by the sad experience of our respective constituencies, whether in the city or on the farms, whether up North or down South. The lesson of long periods of unemployment, of absolute control of commodity prices has taught us that the people in this country have a common interest. Politicians and exploiters have been able for a long time to flame sectional feeling and to array rural

regions against the cities and the workers in the industries against the farmers.

It is our purpose and hope to demolish these artificial barriers. We have learned in discussing our problems that the people of this country have been kept apart by artificially created issues and by local interests while they have been submitted to a systematic exploitation.

The farmer, as well as the skilled and unskilled mechanic, the planters and the wage earners have eventually learned that all the wisdom of financing is not in the possession of the bankers. The people of this country have learned that there is no mystery in a monetary system and that the theoretical gold reserves, while interesting in academic discussions of the classroom, are of no value in the efforts of the unemployed or the underpaid farmer to balance their family budget.

The farmer has learned to view the value of money not in terms of theoretical reserve furnished by high-pressured economists of the banking fraternity, but to weigh his wheat and crops in terms of shoes and clothing, machinery, and the manufactured goods upon which he is dependent. The wage earners of the city now measure their wage in terms of cotton and beefsteak, bread, milk, and rent. They all insist upon a fair and just return for their products and labor.

The time has passed when the producers of this country may be awed into silence by the use of big words or the recital of long columns of figures. They have learned through bitter experience the mathematics of their economics. They demand a square deal, and the progressives will insist that they get it.

The workers and the farmers of this country know that they are not to blame for the present depression. They understand, if big business and the bankers have not yet realized it, that we can not expect to restore prosperity by an increase in our foreign trade. That day is gone, and gone forever, for the reason that other countries are on a production basis themselves in addition to other unsurmountable barriers which need not be discussed at this time. We can only return to prosperity by a complete change of our industrial system along with an economic readjustment.

We can not get out of this depression by proclamations, political speeches, or pep talks. We must so arrange our industries to give immediate employment to all of the willing workers of this country. It means that the working day and the working week must be shortened, thereby giving the benefit of our advanced and efficient methods of quantity production to all the people of the country. Of course this is costly, but nothing can be as costly as unemployment, a destroyed purchasing power, closed factories, and tottering banks and national economic crisis.

Along with this we must provide for a national system of unemployment insurance not only to guarantee economic security to the wage earners and producers of the country but to maintain a certain level of purchasing power, thereby making impossible the recurring cycles of depression under a system which permits of exploitation and overproduction along with unemployment and undernourishment.

The remedy suggested may seem radical and far-fetched to-day, but I venture the prophecy that unless some such constructive change is brought about the remedies we suggest to-day will seem indeed tame and conservative to-morrow.

Much has been said of the activities of the progressives in connection with the consideration of the revenue bill which passed the House last Friday. Indeed, we may well point to this instance in exemplifying the necessity of the exploited and suffering people of this country getting together. In this instance, when bankers and manipulators who were mainly responsible for the present economic crisis were seeking to put upon the backs of the American people the entire cost of paying the deficit which they themselves had created, sectional lines disappeared, partisan affiliations were set aside, and a fine and wholesome coalition was spontaneously formed which succeeded in eliminating the sales tax which had been written into the bill.

It may be well to say in passing that the friends of the sales tax outside of Congress did more than the opponents in Congress to defeat their own measure. The sales tax had no friends in the House. Every Member who took the floor in support of it apologized for so doing. The greed, selfishness, and heartlessness of some of the main sponsors of the sales-tax system were soon brought to light by their gloating over victory which they believed certain. So accustomed were they of controlling revenue bills, they could not imagine a defeat.

Their greed and grasp were such that they could not wait for the proposition to be written into the law, but immediately started a movement, editorialized propaganda, coercion and pressure to bring about the repeal of our income-tax system. They revealed their own insincerity, they exposed their hand, they left no doubt that they were seeking to avoid the payment of their just taxes and passing it on to the great masses of people who were unable to take any additional burden. The vicious attack on the income system, the misrepresentation, the unjustifiable criticism of Congress for standing by this American system of taxation, I will say, and I was in that fight, was one of the main factors which defeated the sales tax.

In order to obtain the passage of the sales tax the slogan of "balancing the Budget" was coined. Yes, we are in favor of balancing the Budget. I have always so stated, but I want to recall to the country last October, when the Treasury Department issued \$1,000,000,000 of Government bonds and again in the early part of this year when \$900,000,000 of Government bonds were issued, there was no talk of balancing the Budget then. The deficit was just as great. This \$1,900,000,000 of long-

term bonds was nothing else than making the next generation pay for the current expenses of to-day.

The bankers wanted this additional \$1,900,000,000 of Government bonds. As far back as last October I criticized the then Secretary of the Treasury, Mr. Mellon, for issuing long-term bonds for current expenditures. The slogan "balancing the Budget" was accompanied by repeated threats of a panic from supposedly responsible citizens. A threat of a panic brought about the declaration of the moratorium on the payment of our foreign debts. A threat of panic brought about the enactment of the Reconstruction Finance Corporation law when Congress appropriated \$2,000,000,000 to aid tottering banks and insolvent railroads.

Last Thursday, when the House had practically finished with the revenue bill, word was sent to Washington from New York City that unless the Treasury Department guaranteed that the Budget would be balanced there was grave danger of a panic. And let it be said to the everlasting credit of the majority members of the Ways and Means Committee they added \$80,000,000 that night by placing under the normal tax all stock dividends. Personally, I believe that it was not necessary to put this additional amount into the bill. But the committee responded to the last demand made, and there certainly can be no complaint, for the quarter who must pay this tax are responsible for its having been written into the bill.

Just one final word to offset the misrepresentation that is being made as to the cause of the present deficit in the Treasury. It is not the fault of extravagance in the necessary expenditures for the maintenance of the American Government. In the first place, the revenues of the Government from income taxes have fallen because the American investor has been swindled out of money by the bankers in whom he had a right to have confidence. Swindled to the tune of over \$2,000,000,000 of South American securities alone and several additional hundreds of millions of dollars in European securities. Again, the revenue from income tax has been reduced because American investors were deceived by the bondmongers and the same bankers into buying securities that were artificially inflated.

In some instances the banks artificially inflated their own securities. This breach of confidence—this imposition—resulted in the loss of hundreds of millions of dollars to the investor and millions and millions of dollars to the United States Government in the shape of taxes. Then the forced moratorium resulted in a loss of \$252,000,000 during the present fiscal year and about \$270,000,000 in all likelihood the next fiscal year.

In addition to that, we have appropriated out of current expenses \$500,000,000 for the Reconstruction Finance Corporation—to do what? To turn over to the railroads and banks.

In addition to that, we are spending \$20,000,000 a year in subsidies to aviation companies, \$50,000,000 in subsidies to private shipowners. There again is \$70,000,000.

One billion dollars is required to pay the interest and sinking-fund requirements on our national debt. It will readily be seen that in these days of talk of economy that little is being said of the main causes of our depression and Treasury deficit. While small savings may be made here and there, it will amount to very little in comparison with the staggering deficit of the Treasury.

In connection with the sales-tax program there was announced a plan for a general reduction of the salaries of Federal employees and it became known that industry and commerce and business would immediately follow with a like reduction.

It is impossible to understand how anyone could be so short-sighted as not to see the folly of any general wage reduction in this country. Such a plan would only result in further reducing the purchasing power of the American people and prolonging the present depression to a point of complete catastrophe.

The progressives do not intend to stay idle and see the country brought to ruin. We can get out of this depression. We shall get out of it. We will do so by bringing up the purchasing power of the American people and by raising commodity prices; by bringing up the level of the producers instead of a destructive plan of bringing everything down except interest rates and the power of monopolies. Along these lines we have patiently been working for years and we expect to continue. The success and progress of our Republic can not be measured in terms of skyscrapers or reserves in banks. It can not be measured in terms of foreign credits. There is only one way and that is to reestablish a well-balanced prosperity by the distribution of employment in keeping with the machine age in which we are living, creating a high purchasing power able to meet increased commodity prices—and in that way bring about the readjustment essential to our future well-being.

#### BEER AND FARM RELIEF

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include an address recently delivered over the radio by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOPE. Mr. Speaker, under leave granted me by the House to extend my own remarks in the Record I include the following address which I recently delivered over radio station WJSV:

In recent years this country has heard much about farm relief. Many plans have been discussed. Much legislation has been en-



acted. Recently we have heard something about a new plan. We are told that all the farmers' troubles will be over if we legalize beer. In fact, if we are to believe the enthusiastic gentlemen who are now shouting so loudly for beer, it is the magic formula which will solve all our problems, whether they be crime, debts, taxation, unemployment, or farm distress.

I have time this evening to discuss the beer question from one angle alone; that is, as a farm-relief measure. I happen to represent one of the greatest grain-growing districts in the country, and because of the claims which have been made that the legalization of beer would furnish a market for the farmer's grain and start him back on the road to prosperity, I have taken some interest in looking up the facts in that connection.

It is a singular thing that in all the discussion we have had of beer as a farm-relief measure, none of it has come from farmers or those representing farmers. Recently the Committee on Manufactures in the Senate held extensive hearings upon the proposal to legalize beer. The report of these hearings comprises a document of some 574 pages. More than 50 witnesses testified in favor of the measure. A great many of them predicated their advocacy of it on the theory that the manufacture of beer would be of great benefit to agriculture. Yet not one of the witnesses so testifying was a farmer or the representative of a farm organization. Among the witnesses were numerous Members of Congress.

They, too, stated that beer would help the farmer. Yet not one of these Members represented a strictly rural district. On the contrary, on looking over the list we find that they were from Detroit, St. Louis, Buffalo, New York, Chicago, Peoria, and Seattle, to mention only a few. The only representative of a farm organization who appeared was Mr. Louis J. Taber, the head of that great farm organization, the National Grange, who appeared not to support, but to oppose the legalization of beer.

During all the time I have been in Congress I have been a member of the Committee on Agriculture. I am acquainted with the legislative representatives of all the farm organizations in the country. They have been assiduously working here in Washington for legislation which their organizations believe will be of benefit to agriculture. Yet I have never heard of any representative of these organizations advocating beer.

It would seem, therefore, that if beer is a solution of our agricultural ills that the farmers and their representatives have singularly overlooked an opportunity. However, after carefully investigating the matter it is not difficult to see why the farmers of this country are not excited about beer as a solution for their troubles.

The theory upon which it is argued that the legalizing of beer would help the farmer is that it would furnish a market for his grain. However, when we come to investigate the amount of grain which was used in the manufacture of beer, and in fact of all alcoholic liquors, in preprohibition days, we find that compared with the total production it was insignificant. During the five years immediately previous to national prohibition we consumed an average of a little less than 100,000,000 bushels of grain, including corn, rye, barley, oats, wheat, and rice, in the production of all distilled and fermented liquors. About 65,000,000 bushels of this was barley, used in making beer. The average annual crop of all the grains just mentioned is approximately 5,000,000,000 bushels, so that it can readily be seen that in preprohibition days we used only 2 per cent of our present grain crop in the manufacture of all alcoholic liquors and only about  $1\frac{1}{3}$  per cent in the manufacture of beer.

Even assuming that a market for  $1\frac{1}{3}$  per cent of our grain has been lost because of the prohibition of beer, such an infinitesimal loss is certainly nothing for any farmer to get excited about. As a matter of fact, however, it hasn't been lost.

Most of the propagandists for beer assume that since the coming of prohibition the production of barley has declined. The only thing wrong with this assumption is that it is not true. Mr. August A. Busch, the president of Anheuser-Busch (Inc.), has made the statement that "with the coming of prohibition the barley farmers naturally seeded their lands to wheat and entered into competition with the wheat farmers." Others, following Mr. Busch's lead and, no doubt, without investigating the facts, have made the same statement. The facts, however, are entirely different.

In 1916 the acreage of barley in this country was 7,674,000 and the production was 180,927,000 bushels. In 1917, the year in which more barley was consumed by the beer industry than any other, the acreage was 8,835,000 and the production was 208,975,000 bushels. Contrast these figures with 1929, 1930, and 1931. In 1929 the acreage was 13,068,000 and the yield was 302,892,000 bushels. In 1930 the acreage was 12,437,000 and the yield was 325,893,000. In 1931 the Northwest States, where the greater part of our barley is produced, suffered a very severe drought, which interfered somewhat with the seeding of barley. Nevertheless, in that year, the acreage planted was 11,471,000 and the total yield, in spite of the drought, was 198,965,000 bushels. It can be seen, therefore, that instead of there being a decrease in the production and consumption of barley, there has actually been a very marked increase. It is hard to see how the barley farmer has been injured by prohibition.

Furthermore, the figures reveal that instead of the barley farmers shifting to the production of wheat, thus increasing the wheat surplus, the shift has been the other way. The great increase in barley has been in the Northwest, in the States of Wisconsin, Minnesota, Iowa, Nebraska, and North and South Dakota, and, generally speaking, this region has reduced its wheat acreage since the war period. The great increase in wheat acreage has been in

the hard winter-wheat region of the Southwest, and it has not displaced barley, which has never been grown to any extent in that section.

Now, it may be asked what is being done with all this barley? Well, the figures show it is being used as feed for livestock, particularly for dairy cattle and hogs. The States in the Northwest, where the great increase in barley production has taken place, are the premier dairy States of the Union. They have also greatly increased their production of pork. Now, some one may say, What has that to do with beer? Simply this: That instead of converting our barley into beer, we are converting it into milk and pork chops. Figures compiled by the Department of Agriculture show that in 1917 the average per capita consumption of milk and milk products, computed in terms of milk, in this country was 754.8 pounds, while in 1929, the last normal year, it was 997.5 pounds. I do not have the figures for 1931, but for 1930 the consumption of milk and milk products was almost exactly the same as for 1929, only a fraction of 1 per cent less. Now, this great increase in the per capita consumption of milk means the consumption not only of more grain than was used in the manufacture of all distilled and fermented liquors in 1917 but means the consumption of a great additional quantity of hay and other roughage grown by the farmers of this country. This was very clearly pointed out by Mr. Taber in his statement before the Senate committee, in which he showed that in order to produce this increased consumption of milk we consume a total of over 10,000,000,000 pounds of grain and 25,000,000,000 pounds of roughage, whereas all grain used in distilled and fermented liquors in 1917 was but 6,200,000,000 pounds. Furthermore, when a farmer converts his barley into milk or pork, he gets some of the manufacturing profits, whereas if it goes into beer, the brewer and the saloon get all the profit.

If time permitted one might go on and enumerate other economic benefits which have come to the farmer as a result of prohibition. I might call attention to the matter of the corn-sugar manufacturing industry, which has developed so greatly in recent years. Corn sugar is used quite largely in the manufacture of confectionery, soft drinks, and like products, the production of which has greatly expanded during the prohibition era. The return of beer would certainly not increase the consumption of these products.

In 1917 we produced a little over 60,000,000 barrels of beer. I don't know much about the price of beer, but in the discussions in Congress it has been suggested that if beer were legalized it would sell for 15 cents per pint. Sixty million barrels at 15 cents per pint would be \$2,232,000,000. Can you imagine that the expenditure of over \$2,000,000,000 for beer would help the market for farm products? This is a day of intense competition for the consumer's dollar and past experience has demonstrated that in competing for the dollar no product has a chance with liquor. It gets the first call every time. The farmer knows that the dollar which is spent for beer can not be spent for milk, cheese, pork, or any other product of the farm. Therefore, it is not hard to understand why he is not throwing his hat in the air over the idea of legalizing beer. He knows that a return of beer, while it may afford a market for an insignificant amount of his grain, means losing a much larger market for products which are infinitely more profitable to him.

The farmer's opposition to beer is not alone on economic grounds. He is against it generally speaking on moral and social grounds. Irrespective of these reasons, every thinking farmer can justify his opposition to beer solely on the basis of economics. I am not afraid, therefore, that any of the farmer's would-be friends from the metropolitan centers of this country are going to convince him that beer and farm relief have any connection.

#### POINT OF NO QUORUM

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count.

Mr. JOHNSON of Washington. Mr. Speaker, I withdraw the point of order.

#### LEGISLATIVE APPROPRIATION BILL

Mr. McDUFFIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11267, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose last night Title III had been read and is now subject to amendment.

Mr. CANNON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. CANNON: Strike out section 303.



Mr. CANNON. Mr. Chairman, of necessity this bill has been very hastily compiled. Into it has been thrown hodgepodge many diverse propositions relating to numerous governmental activities. It follows, necessarily, that some have been included without adequate consideration. That is particularly true of the proposition to dispense with aid to vocational education. It is difficult to believe that the committee gave the subject more than cursory attention, for this provision is a blow not only at education but at labor and agriculture. At a time when we need—as we never have needed before—and as, I trust, we never will need again—skilled hands and trained minds in the ranks of organized labor; at a time when we need constructive management and trained leadership in every department of agriculture, this bill proposes to discontinue Federal aid and encouragement in the education of the young men and the young women who in a few short years must take over the burdens and responsibilities of solving the vocational problems of both agriculture and labor.

Mr. SIMMONS. Will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Nebraska.

Mr. SIMMONS. The gentleman's amendment, as I understand it, strikes out of this bill that section which in effect repeals during the next 10 years Federal aid for vocational education, and would permit the Federal Government to continue to give the aid that is now being given?

Mr. CANNON. That is true. The effect of the amendment is to continue, unimpaired, the cooperation of the Federal Government with the States in the maintenance of the vocational courses in the public schools, every year turning out future citizens specially trained to meet the practical problems of life.

Mr. SIMMONS. And that ought to be done.

Mr. CANNON. Beyond question. It is a particularly appealing form of education. It involves not only mental training but correlated manual training as well. It is a form of education most needed to-day. It is a direct and practical preparation for life. It is a direct and practical preparation for service. It transforms the street loafer into a skilled artisan. It transforms the irresponsible girl into an efficient home maker. It is a guaranty of the adequacy of the American home and is the ideal preparation for American citizenship.

This provision to eliminate it would deny that training to 92 per cent of the young men and young women of the country, for only 8 per cent come from families which are able at this time to give their children the advantages of the professional colleges, the trade schools, or the technical institutes.

Mr. BRIGGS. Will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. BRIGGS. Does the gentleman think this training would be possible to these students unless this aid is afforded?

Mr. CANNON. We have information, carefully compiled, that the withdrawal of Federal aid means the discontinuance of 90 per cent of these vocational courses in the schools of my own State, and that is to some extent indicative of the situation in the schools of every State of the Union. To deny this training is to condemn 92 per cent of our young men and young women to a scale of income commensurate only with their mere physical capacities. It chains them to a treadmill of existence in which there can be no hope of progress or advancement. It tends to a condition typified by the Man with the Hoe. It shuts out from their lives—

The upward looking and the light.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. CANNON. Yes. I yield to my friend the gentleman from New York.

Mr. CLARKE of New York. Is it not also a repudiation of an obligation entered into by Uncle Sam with the States and the States through contracts with teachers in the schools, ramifying in all States of the Union?

Mr. CANNON. The gentleman states the situation accurately. It is a repudiation of a contract which was

entered into at the suggestion of the Federal Government itself. Cooperation in education was not initiated at the request of the States, but at the sole instance of the Federal Government. In conformity with the implied agreement thus entered into, the States have invested large sums in equipment which can not be used for any other purpose, and have permanently reorganized their schools and their courses of instruction. For the Federal Government to now withdraw from this partnership with the States is little short of a breach of contract and smacks of bad faith.

And it will not save a dollar. This bill is proposed as an economy measure. It is intended to tide over the situation for the coming fiscal year. It is announced as purely temporary. And yet here is a proposition which during the coming fiscal year of 1933 will not reduce Government expenditures a single penny. This is not an economy measure. It is not an emergency measure. It is not a retrenchment. Then why is it included in this bill? The answer is obvious. There is a school of thought in this country that is opposed to the education of the people at the expense of the Federal Government. It means nothing to them that such a policy produces an unintelligent electorate; that it tends to reduce men to the status of beasts of burden in the fields and unthinking human machines in the shops and factories. They are concerned only with lower corporation taxes and larger dividends.

But they defeat their own purpose. Experience has demonstrated that their profits are dependent on the skill and intelligence of their workmen. America is recognized as the foremost agricultural and industrial nation of the world. She has the most productive farms, the most efficient manufacturing, and the output of her fields and factories is higher per unit than that of any other country on the globe. Why is Russia's agricultural and industrial program failing? It is because they lack competent man power. Why are other European nations unable to cope with us in the production of commodities? It is because our farmers and artisans have been trained in better schools and therefore have a higher mental capacity and adaptability. That is the secret of American supremacy in the markets of the world. America leads because America educates. And when America ceases to educate, America will cease to lead. [Applause.]

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I rise in opposition to the amendment. The suggestion made by the gentleman from Missouri that this provision will destroy vocational education in 90 per cent of the schools of this country certainly must be the result of a lack of understanding of this problem on his part. In the first place, the committee does not interfere with these funds for the year 1933.

Mr. BULWINKLE. Will the gentleman yield?

Mr. McDUFFIE. For a brief question.

Mr. BULWINKLE. We are acting under an economy bill, are we not?

Mr. McDUFFIE. Yes.

Mr. BULWINKLE. This provision does not touch the appropriation for this year, does it?

Mr. McDUFFIE. Not at all.

Mr. BULWINKLE. Then what is the use of reaching out for 10 years?

Mr. McDUFFIE. You can practice economy in other years as well as in this year. This curtailment does not interfere at all with the rehabilitation of those injured in industry. Whenever a man is crippled and must be trained, it does not touch that fund at all. The idea of the committee was—and we gave it careful study—that in the Department of Agriculture you have the Bureau of Home Economics; you have your agricultural extension work and you have your county agents going into the home and into the field teaching the very things that are being taught under the appropriations carried by this bill. There has been an urge from the beginning to get the Federal Government further and further into the business, if you please, of educating the youth of this land. We thought the time has come for the



taxpayers themselves to stop and think—even though the Federal Government puts up a small part of this money, the States putting up about \$3 to \$1—whether or not it was a proper function of the Federal Government to educate the children in the various States. You are doing this work through your Agricultural Department in so far as agriculture is concerned. We already have an overproduction of agricultural products. Evidently we have been educated to that point where we are producing more than we can consume or sell; yet we are providing high-priced officials in Washington and furnishing money for teaching those things we should have learned by this time.

Mr. GLOVER. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. GLOVER. Is it not true that practically every large school district throughout the country districts of the United States has erected buildings to carry out the agreement they made with the Government?

Mr. McDUFFIE. Not as to this money.

Mr. GLOVER. That is true in my district.

Mr. McDUFFIE. Oh, no. This is the way this money is expended: The States make up their budgets and the local communities raise so much money; they add it to the funds of the States, and then they come to Washington and say, "We have complied with your rules; therefore we ask you to reimburse us about \$1 for the \$3 or \$4 we are putting up for this fund."

It is folly to say that education will be stopped in this country if this fund is discontinued, especially since we are not discontinuing the funds all at once.

Mr. HARE. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. HARE. Under the original act does the State obligate itself in advance, and is a State required to accept this from the Government or can a State reject it if it wants to do so?

Mr. McDUFFIE. A State can reject it if it wants to do so, but when did the gentleman ever know a State to reject anything coming from the Federal Treasury? The States are always ready and willing to accept such aid, and the result of that policy is that communities have incurred bonded indebtedness—and so have States throughout this country—to such an extent that they can not pay it for many years to come. Of course, there are some things in which the Federal Government had to become a pioneer. It is hard to draw the line, but if we continue all the Federal activities and increase them, as the tendency now is, it is only a question of time before the jurisdiction and authority of the States will be merged into the Central Government.

By a gradual reduction of 10 per cent a year for 10 years this bill gets the Government out of the vocational education business, and after much study the committee felt that the Government could well afford to let this responsibility fall where it originally belonged and where it belongs to-day, and that is upon the localities or States affected.

The activities of certain educational organizations now are toward the establishment of a new executive department for education, which will ultimately mean that our common schools will be operated under rules and regulations of some bureau in Washington. Personally I prefer the children of my State educated under regulations of my State rather than under any rules emanating from Washington. I wish to quote the following on very good authority inserted in the committee report:

Sec. 303. Under the bill, the permanent annual appropriations for vocational education (see U. S. C., title 20, secs. 11-28), now amounting to \$7,167,000, are reduced in the sum of 10 per cent of that amount, beginning with the fiscal year 1934, and in a like sum for each succeeding year, so that, after the fiscal year 1942, these appropriations will have been abolished. The permanent annual appropriation of \$200,000 for administration of the vocational education act is abolished, and, in lieu thereof, authority is provided for an annual appropriation of \$200,000 for the purpose.

The authority for the existing annual appropriation of \$1,500,000, to supplement the permanent appropriation, is continued for the fiscal year 1934 in the sum of \$1,500,000, at which time the law authorizing it expires by its own terms (U. S. C., Supp. V, title 20, secs. 15a-15c). The amount authorized for 1932 is \$1,500,000, for 1933 it is \$2,000,000, and for 1934, \$2,500,000. The Budget estimate for 1933 was for \$1,500,000, retaining the level of 1932, and the present bill continues it for 1934 at the same level.

The extent to which Federal legislation has tended to remove final control of education from the States to the Federal Government may be indicated by citing the last important act establishing a new and extensive program of Federal participation, the Smith-Hughes Act of 1917.

This act requires the final approval of the Federal Board for Vocational Education for every State plan adopted. The plan must be initiated by a State, but it can be rejected by the Federal agencies. The act requires that moneys offered by the Federal Government shall be matched by the State or local governments or both. But Federal moneys are not advanced. The State and the community anticipate the grant, spend their own money, and are reimbursed for the moneys advanced, provided the Federal authority believes standards are met. Minimum standards determining hours and minutes of instruction are set up in the Federal acts and must be accepted by both State and Federal agencies.

Recognizing fully that constructive advances in the theory and practice of vocational education have been made because of the activities initiated by this act, it is, nevertheless, a fair question whether these benefits compensate for the inevitable weakening of local responsibility and autonomy that follows continuous applications of the prescriptions of the act.

The existing status of the permanent annual appropriations for vocational education is as follows:

The vocational education act of February 23, 1917 (U. S. C., title 20, secs. 11-28), provides permanent annual appropriations for vocational education in cooperation with the States, as follows:

Agricultural training: For training in agricultural subjects, \$3,000,000, to be allotted among the several States on the proportional basis of their rural population, no State to receive less than \$10,000 for any fiscal year, a further permanent annual appropriation of \$27,000 being provided to care for the minimum allotments.

Training in trade, industrial, and home-economics subjects: For such training there is provided a permanent annual appropriation of \$3,000,000, to be allotted among the several States on the proportional basis of their urban population, no State to receive less than \$10,000 for any fiscal year, a further permanent annual appropriation of \$50,000 being provided to care for the minimum allotments.

Teacher training: For the training of teachers in the foregoing subjects there is provided a permanent annual appropriation of \$1,000,000, to be allotted among the several States on the proportional basis of their total population, no State to receive less than \$10,000 for any fiscal year, a further permanent annual appropriation of \$90,000 being provided to care for the minimum allotments.

Administration: A permanent annual appropriation of \$200,000 is provided for expenditure by the Federal Board for Vocational Education for making studies and investigations, and reporting thereon, concerning suitable courses of study and training in the foregoing subjects, and for other administrative purposes.

Total: The total amount of the foregoing permanent annual appropriations for cooperation with the States in vocational education, including the \$200,000 for administrative purposes, is \$7,367,000.

State cooperation: The act provides that for each dollar expended by the Federal Government, aside from administration, for vocational training the State or local community shall expend an equal amount for the purpose. Under this provision the States and localities are now expending approximately \$3 for every dollar expended by the Federal Government, savings approximately a million per year for 10 years.

The following table sets out, year by year, the diminishing permanent annual appropriations as they are provided for by the terms of the accompanying bill:

Year	Agricultural training	Industrial training	Teacher training	Minimum allotments	Administration	Total
1933.....	\$3,000,000	\$3,000,000	\$1,000,000	\$167,000	\$200,000	\$7,367,000
1934.....	2,700,000	2,700,000	900,000	150,300	( <sup>1</sup> )	6,450,300
1935.....	2,400,000	2,400,000	800,000	133,600	( <sup>1</sup> )	5,733,300
1936.....	2,100,000	2,100,000	700,000	116,900	( <sup>1</sup> )	5,016,600
1937.....	1,800,000	1,800,000	600,000	100,200	( <sup>1</sup> )	4,299,900
1938.....	1,500,000	1,500,000	500,000	83,500	( <sup>1</sup> )	3,583,200
1939.....	1,200,000	1,200,000	400,000	66,800	( <sup>1</sup> )	2,866,500
1940.....	900,000	900,000	300,000	50,100	( <sup>1</sup> )	2,149,800
1941.....	600,000	600,000	200,000	33,400	( <sup>1</sup> )	1,433,100
1942.....	300,000	300,000	100,000	16,700	( <sup>1</sup> )	716,700
1943.....	0	0	0	0	0	0

<sup>1</sup> The permanent appropriation of \$200,000 per annum for administration is abolished entirely, beginning with the fiscal year 1934, and there is substituted for it an authorization of an annual appropriation of not to exceed \$200,000.

<sup>2</sup> Together with such annual appropriation for administration as may be made by Congress.

With respect to this section we call the attention of the Members of the House to the fact that within the Department of Agriculture, which is quite independent from the Board for Vocational Education and not affected by the provisions of this section, there are several agencies, viz, the Extension Service, which includes education in agriculture; administration of economics of the home; Bureau of Agricultural Engineering; and a Bureau of Home Economics, all of which perform services not exactly identical but very similar to those performed by the Federal Board for Voca-



tional Education, the difference between the two being largely that in the case of vocational education instruction is carried on in the schools, while in the case of agencies within the Department of Agriculture the education is carried on in the field and in the home. Moreover, it should be noted that the provisions of this section do not at any time reduce the appropriations for vocational rehabilitation of those injured in trades and industries.

In further explanation the situation in detail is as follows:

This section relates solely to appropriations for vocational education. It does not affect in any way vocational rehabilitation of persons injured in industry, which is taken care of in the act of June 5, 1924, and in the act of June 9, 1930. Nor does this section reduce or otherwise interfere with either agricultural extension work or agricultural experiment stations under the Purnell Act or its predecessors. This section relates to vocational education.

The section does not affect any appropriation, either permanent or annual, for the fiscal year 1933. It does not begin to operate until after June 30, 1933, so that the section does not affect contemplated State programs for the fiscal year beginning July 1 of this year.

The existing appropriations for vocational education total \$9,102,000. Of this sum \$7,367,000 is a permanent annual appropriation made by the Smith-Hughes Act of February 23, 1917. The Smith-Hughes Act allocates \$3,000,000 annually to vocational education in agriculture, \$3,000,000 annually to vocational education in home economics and trade and industrial subjects, \$1,000,000 to the training of teachers, \$200,000 annually to the Federal Board for Vocational Education for administrative purposes, and \$167,000 annually to provide that each State shall receive the minimum allotment of \$10,000 for each of the three separate purposes of the act. These appropriations—amounting to \$7,367,000—are permanent annual appropriations, and so do not come to Congress for the usual annual action by the Congress.

The purpose of subsection (b) of section 303 is the gradual withdrawal of the Federal aid to vocational education begun in the Smith-Hughes Act. This is accomplished by reducing the amounts appropriated for each fiscal year by 10 per cent of the amounts now appropriated. As a result, the appropriations for the fiscal year 1934, under that act, will be 10 per cent less than the appropriations for the fiscal year 1933. For the fiscal year 1935 the appropriations will be 20 per cent less than the appropriations for 1933, and so on, until the appropriations for the fiscal year 1942 will be but 10 per cent of the 1933 appropriations, and for the fiscal year 1943 and following years no appropriations whatever will be made under the Smith-Hughes Act. The reduction for each year is spread through the various items, so that the \$3,000,000 appropriation for education in agriculture is reduced \$300,000 annually, that for education in home economics and trades and industries by the same amount annually, and that for teacher training by \$100,000 annually. Likewise the minimum allotment to each State, now \$10,000, is reduced \$1,000 each year; and the amount appropriated for the purpose of providing such allotments, a total of \$167,000, is reduced by 10 per cent in each year.

Subsection (c) of section 303 substitutes for the annual appropriation permanently made by the Smith-Hughes Act to the Federal Board for Vocational Education, for administrative purposes, amounting to \$200,000, an authorization for an appropriation of the same amount, the effect, of course, being to permit Congress to reduce the appropriation to the board in such amounts as it may deem proper, as the work of the board is gradually diminished.

The Reed-Moses Act of February 5, 1929, authorized appropriations for the purposes of the Smith-Hughes Act. The authority was for an appropriation of \$500,000 for the fiscal year 1930, and for appropriations for the four succeeding fiscal years, increasing by \$500,000 each fiscal year. Under this act \$1,400,000 was appropriated for the fiscal year 1932. The independent offices appropriation bill carries an appropriation of \$1,500,000 for the fiscal year 1933. If the maximum authorized appropriation for this year had been made for the purposes of the Reed-Moses Act, \$2,000,000 would have been appropriated. The maximum

authorized appropriation for the fiscal year ending June 30, 1934, is \$2,500,000. Section 303 (a) of the bill provides that instead of an authorization of \$2,500,000 for this purpose for the fiscal year 1934, only \$1,500,000 will be authorized—the same amount as is appropriated for this coming fiscal year. Since the authorization contained in the Reed-Moses Act expires by its own force at the end of the fiscal year 1934, the effect of the committee's action is to reduce by \$1,000,000 the amount authorized to be appropriated.

The Reed-Moses Act also authorizes an annual appropriation of \$100,000 to the Federal Board for Vocational Education for administrative purposes. This authorization will also expire with the remainder of the act, and it is not affected by the bill. The power to reduce this authorization is left with the Appropriations Committee and Congress.

The benefits of the Smith-Hughes and Reed-Moses Acts were extended to Hawaii and Porto Rico by the acts of March 10, 1924, and March 3, 1931, respectively. The latter acts authorize \$30,000 annually for Hawaii and \$105,000 annually for Porto Rico. The authorization for Porto Rico allocates \$30,000 to agriculture, \$30,000 to home economics, \$30,000 to trade and industrial work, and \$15,000 to teacher training.

Subsection (d) cuts \$3,000 from the Hawaiian authorization in each successive year for 10 years, beginning with the fiscal year 1934, so that no authority for further appropriations will exist at the end of that time. Porto Rico is similarly treated, the authorization being cut \$10,500 each year. The amount allocated to each item of the Porto Rican appropriation is reduced 10 per cent in each year, in conformity with the reduction applied to corresponding items under the Smith-Hughes Act. The policy as to Hawaii and Porto Rico, effected by subsection (d) of section 303, conforms in every respect to the policy as to the States, effected by the other subsections of section 303.

Mr. SIMMONS. Mr. Chairman, I offer a perfecting amendment. On page 15, line 14, strike out the figures "1934" and insert "1935."

The Clerk read as follows:

Amendment offered by Mr. SIMMONS: On page 15, line 14, strike out "1934" and insert in lieu thereof "1935."

Mr. SIMMONS. Mr. Chairman, this is a proposal, as I see it, that has no part whatever in this bill.

As the gentleman from North Carolina [Mr. BULWINKLE] has said, we are dealing with a deficit and the need for economy now, and this proposal is to save nothing whatever during the next fiscal year. It is aimed, however, with all due deference to the gentleman from Alabama [Mr. McDUFFIE], directly at the public schools of this country. Throughout all of the farming regions, as well as in the cities, the school system has been built up upon the basis of the Federal Government contributing to vocational-education work. It is true that the Department of Agriculture appropriations do carry items that go to agricultural vocational work in the home and on the farm, but that is one thing and the vocational work in the schools is entirely another thing, and this cuts that off effectively after 10 years.

Mr. BRIGGS. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. BRIGGS. Does not the gentleman think this is one piece of cooperation between the States and the Federal Government that pays as large dividends as any investment the Government has ever made?

Mr. SIMMONS. There is no doubt in the world about that. If we are going to stop cooperation with the States, there are any number of places where economy could be effected much better than here, and in this proposal there is no economy during the next fiscal year.

Mr. FULMER. Will the gentleman yield?

Mr. SIMMONS. I yield.

Mr. FULMER. A few minutes ago the gentleman from Alabama referred to the experiment-station work. Is it not a fact that this is about the only way we have to get back to the boys and girls and the farmers the real work carried on at the various experiment stations?



Mr. SIMMONS. This takes into the schools the type of work that the experiment station takes to the farm.

Mr. MANLOVE. Will the gentleman yield?

Mr. SIMMONS. I yield to the gentleman from Missouri.

Mr. MANLOVE. Is it not a fact that the amount appropriated for vocational education represents only one-fifth of 1 per cent of the total expenses of our Government?

Mr. SIMMONS. I do not know just how much it is in proportion.

Mr. KETCHAM. Will the gentleman yield?

Mr. SIMMONS. I yield to the gentleman from Michigan.

Mr. KETCHAM. Has the gentleman given any attention to the particular number of young men and women who are engaged in studying in these schools at night, working during the day in order that they may have an opportunity to advance themselves in the field of education?

Mr. SIMMONS. I only have those figures for my own State.

Mr. KETCHAM. The gentleman, as well as the committee, will be interested to know, I am sure, that for the entire country during the last year there were 153,384 young men and women who took advantage of this particular feature of this law and did the best they could to remove themselves from the handicap of a lack of education; and for this reason alone, if for no other, it seems to me, therefore, that certainly this subtitle should be eliminated and the excellent vocational-education work continued as at present.

Mr. SIMMONS. It is making a contribution toward developing better citizens far beyond what it costs the Federal Government or the States.

Mr. MOUSER. Will the gentleman yield?

Mr. SIMMONS. I yield.

Mr. MOUSER. Is it not true that a great many of these schools will have to do away with the practical good of vocational education if Federal aid is withdrawn?

Mr. SIMMONS. There is no doubt about that.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. SUMMERS of Washington. I would like to ask the gentleman whether in this comprehensive economy bill there is any place where they skip the fiscal year 1933 and start in on economies for the next 10 years after that?

Mr. SIMMONS. I do not know about that. I know it is being done here and there is no justification for it.

Mr. SUMMERS of Washington. Would it be fair in any sense to economize and not meet our obligation in this respect when the States have already mapped out their programs?

Mr. SIMMONS. The States have already mapped their programs and they are built up with respect to and in reliance upon this contribution.

Mr. ALLGOOD. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. ALLGOOD. I have watched the gentleman vote in this House and I know the gentleman is in favor of economy, but I do not believe the gentleman is in favor of economizing at the expense of the education of the children of the country.

Mr. SIMMONS. Not in this way; no.

Mr. ALLGOOD. And I do not believe the House is in favor of economizing in this way. In fact, I have talked with a great number of the Members of this House since this provision was incorporated in the economy measure and it has been my privilege to urge each one of these Representatives to help defeat this part of the bill, and I know that a majority of the House is now opposed to discontinuing Federal appropriations to vocational education.

There is to-day no industry in this Nation in worse plight than agriculture. There is no class of people whose incomes or purchasing powers are as low and as nearly depleted as those of the farmer. Discontinuance of Federal aid will possibly mean that our rural schools will have to discontinue the teaching of scientific agriculture. To-day I had a letter from a farmer who is a patron of a vocational agricultural school. He told me that his two sons had learned more in two courses in vocational agriculture than he had learned in 30 years of experience on the farm. In my dis-

trict there are 14 vocational schools, and in each of these communities our citizens have contributed out of their own funds and taxes for the erection and equipment of special buildings. There are more than 1,500 boys and girls being trained in a practical way to meet the problems of home and farm life. We all realize the great necessity of this character of education when there are several millions of men and women in this country who are now out of employment and can not make a living because they do not have this character of education. The old system of education prepared the students largely for white-collar jobs. Vocational education is practical education. It educates the hand as well as the head. It gives the boys and girls pride and confidence in doing things. It is a sound type of Americanism.

I repeat again, I am for economy; but if this section is not stricken, I will oppose the bill and vote against its enactment.

Mr. SIMMONS. No.

Mr. HASTINGS. Will the gentleman yield?

Mr. SIMMONS. I yield to the gentleman from Oklahoma.

Mr. HASTINGS. Of course the motion of the gentleman from Missouri is to strike out the section, while the motion of the gentleman from Nebraska is to change the date for one year. Of course the gentleman from Nebraska is in favor of striking out the section.

Mr. SIMMONS. I offered the amendment in order to get the floor. I am heartily in favor of the amendment of the gentleman from Missouri [Mr. CANNON].

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to withdraw his amendment. Is there objection?

Mr. ALMON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ALMON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

Mr. Chairman, I am opposed to section 303 of the bill and I am opposed to the amendment offered by the gentleman from Nebraska, which only postpones the evil day one year, and the amendment ought not to be considered.

The vocational education bill passed by Congress has been so very helpful and popular throughout the entire country that it would be most unfortunate to discontinue the same. It is performing a remarkable service for the tradesmen, the farmers, and all women, both on the farm and in homes of our industrial centers. Education is suffering materially because of lack of funds in many of the States. A further crippling of our educational institutions will accentuate the spirit of unrest which is now broadcast in the country.

The States and localities have incurred heavy expense in the construction of buildings and equipment for these vocational schools. We should improve our school systems rather than eliminate one of the most important departments in the rural schools.

Vocational agriculture is the most beneficial farming agency we have to-day, and is making more progress than any other educational group. To discontinue these Federal appropriations would penalize the rural districts and place the burden on the common people.

The amount contributed by the Federal Government for this form of education encourages the States and localities to contribute to their support, and the three together make a success.

We hear much in this day and time on the subject of farm relief. I do not know of anything that can be done for the farmers that would be more helpful than to educate the young men on the farms in the best methods of agriculture and enable them to make it a success and profitable.

These schools are doing work that meets with the hearty approval of the country people, those who live on the farms and are engaged in the basic industry.

When agriculture succeeds all business succeeds, when agriculture fails and lags all business is affected thereby. I regard Federal aid for vocational schools the most im-



portant thing that is being done by the Federal Government in cooperation with the States. We are spending millions of dollars each year in cooperation with the States in the building of highways, and I am heartily in favor of its continuance. If Federal aid for vocational schools is withdrawn during the next 10 years, it will encourage the discontinuance of Federal aid to roads, which would be, indeed, most unfortunate. We spend millions of dollars in cooperation with the States in all branches of agriculture, animal industry, plant industry, Forest Service, entomology, economics, grasshopper control, and so forth, but none of these activities are more important than the education of the young men and women along the lines of agriculture, trades, and home economics. It would be the poorest form of economy to discontinue this splendid work that is meeting with so much success.

I sincerely trust that this section providing for the elimination of Federal funds for vocational schools during the next 10 years will be voted out of this measure by a practically unanimous vote, so that there will be known and understood throughout the country the views of the Congress in connection with this educational program. It required years of time to make the beginning; now it would be most unfortunate to destroy it when its success and usefulness has been so thoroughly demonstrated.

I am in favor of economy, but this, in my opinion, would not be economy. We can not afford to economize at the expense of the young men and women of the country in destroying their opportunities for education and training that will enable them to make a success in life. [Applause.]

Mr. DYER. Mr. Chairman, I make the point of order that debate on this amendment is exhausted under the rule. The CHAIRMAN. The point of order is sustained.

Mr. SNOW. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from Nebraska.

The Clerk read as follows:

Page 15, line 14, strike out the figures "1935" and substitute "1936."

Mr. SNOW. Mr. Chairman, the original intention of the Economy Committee was to include a provision in this bill, H. R. 11597, which would eliminate for one year the appropriation for vocational education. However, when their bill finally made its appearance on the floor of the House this provision was conspicuous by its absence, but in its stead we find section 303, providing eventual death for this appropriation by slow and polite strangulation. This section should here and now be removed from the bill and thrown out the window.

Section 303 leaves the appropriation as it is for the next fiscal year and then provides for a gradual reduction year by year until the appropriation is practically wiped out at the end of the tenth year. Why this attempt to look so far ahead regarding this activity when provision after provision in this bill relating to such important subjects as pay cuts, suspension of half holidays, reductions and promotions, reduction of travel allowances, and limitations on expenditures for printing and stationery contain a limitation restricting the application of all of these provisions to "during the fiscal year ending June 30, 1933"?

In other words, these provisions affecting many reductions and changes relate only to this present financial crisis, and in no way attempt to hamstring Congress in facing these problems a year hence, at which time we all hope and pray conditions in the United States will be vastly improved. Many of the provisions in this bill will be inoperative after June 30, 1933. Not so, however, with section 303.

The Federal Government by this appropriation for vocational education during the past few years has made it possible for thousands upon thousands of our boys and girls, who for financial reasons were unable to attend college, to prepare themselves for their life work by receiving vocational education, particularly in trade and industry, agriculture and home economics. I am especially familiar with the benefits accruing from instruction thus far given in agriculture and made possible by this appropriation.

For years all kinds of suggestions have been made for farm relief. Some are nonsense, while some are sound. In my opinion, scientific training in agriculture as made possible by this appropriation for vocational education is without question the best and sanest form of farm relief.

A scientifically trained rural citizenry will realize that the problem of farm relief in general, and overproduction and businesslike marketing specifically, is within and among themselves. Farming has arrived at such a condition of skill that persons without proper training will not be able to continue on the farms. Prospective young farmers must be given instruction in production and marketing if we are ever going to have any farm relief, and conditions in this country will never be normal until overproduction ceases to a great extent and the horrible spread between the price the farmer actually receives for his products on the farm and the price the housewife pays for these same products is eliminated.

Speaking of economy, the elimination of this appropriation will be false economy. In recent years this House has passed bills appropriating thousands of dollars for the erection of monuments in honor of Indian chiefs, of whom not one-tenth of 1 per cent of our population ever heard; millions of dollars to dredge and widen streams barely navigable by punts, and untold sums of money to reclaim and irrigate waste land when a vast number of fertile acres were growing up to bushes in other sections of the country, and I might go on and on.

And now when it is proposed to continue an appropriation for vocational education—an appropriation that dollar for dollar has in results accomplished as much as any like amount ever before appropriated by the Federal Government—an attempt is made to strangle it.

Mr. REED of New York. Will the gentleman yield?

Mr. SNOW. I hope the gentleman will excuse me, but I prefer not to be interrupted at this time.

The farm urgently needs the trained man and woman as never before. Eliminating this appropriation would throw many trained teachers out of employment and cause many boys and girls to leave school and return to the farm without the proper education and training for their future welfare. It would greatly curtail the development of a type of education which is bringing values to the life of many communities far in excess of its cost to the town, State, and United States and at a time when those values are most needed.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SNOW. Yes; but for a brief question only, as my time is very limited.

Mr. SUMMERS of Washington. I indorse what you are saying, except that part which refers to 1936. I think the section should be eliminated entirely. It is not in the interest of economy.

Mr. SNOW. The gentleman should realize that the parliamentary situation is such that the only possible avenue open to me in order to be heard in opposition to the elimination of the appropriation for vocational education was to offer the amendment I have just sent to the Speaker's desk. If I could have my way, I would make it the year 2036. [Laughter.]

Mr. WOODRUM. Will the gentleman yield?

Mr. SNOW. I yield.

Mr. WOODRUM. I realize the parliamentary situation and indorse the splendid address the gentleman is making.

Mr. SPARKS. Will the gentleman yield?

Mr. SNOW. Yes.

Mr. SPARKS. Is it not a fact that the Federal Government is contributing to the States for military education, and should not it contribute for vocational education?

Mr. SNOW. Only one answer can properly be made to the question of the gentleman from Kansas.

Mr. REED of New York. Will the gentleman now be kind enough to yield to me?

Mr. SNOW. I yield.

Mr. REED of New York. I simply want to say at this point, that I have followed the record of the gentleman



from Maine on agriculture and public education very closely. He is one of the best-informed men in Congress on agriculture and I think he is to be congratulated in his district and State for the stand he has always taken to protect public education and to advance the interest of agriculture. [Applause.]

Mr. YON. Will the gentleman yield?

Mr. SNOW. Yes; but please be brief.

Mr. YON. Does not the gentleman from Maine think that if the appropriation for vocational education is eliminated it will upset the school system throughout the country?

Mr. SNOW. In the gentleman's State of Florida as well as in my home State it will take away from hundreds of boys and girls the privilege of obtaining instruction in trade and industry, agriculture and home economics.

Please bear in mind that the children of this country are not in any way responsible for the financial crisis we are now passing through.

They still are entitled to and deserve our continued thought and care. If anything, they are entitled to greater educational opportunities and facilities in this period of depression than even during past prosperous years when parents were better able to finance the costs of education.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. PATTERSON. Mr. Chairman, I rise in opposition to the substitute by the gentleman from Maine and in favor of the amendment by the gentleman from Missouri. Mr. Chairman, I feel that this is a sad day in this Congress, when we see some men get up and oppose the continuation of vocational education in our country.

I wish to give you some figures that are interesting. Vocational education last year received an appropriation of \$32,000,000, and only about \$7,000,000 of that was from the Federal Government.

In the classes enrolled there were more than a million of young people taking vocational education. It is not confined to the rural communities, even though these were doing splendid work in practically every State in the Union. Then there is the vocational trade school in the cities and also the evening classes and part-time schools doing splendid work, where hundreds of thousands of boys and girls are engaged in this work. There are more than a million of these young people benefiting from this work, and it would be a tragedy to break faith with these classes and fail. We can not afford to do it—we must not, we will not. In my own State and other sections which I have visited, the vocational agricultural school is the center of community life in many instances. I know community after community where people have sacrificed and mortgaged their homes in order to help build and carry on this work. They have both the agricultural work for boys and the home economics for girls.

In times like this we ought not to withdraw Federal aid for such work as our vocational schools, for it is not economy during any period, and everyone can see that this provision is entirely out of harmony with the most of the bill, for this proposes to permanently abolish this work, and does not effect one penny of economy for the year 1933. Then what is this measure and its purpose to abolish vocational education for good and for all time and break faith with the States and our people?

I want to say something to some of these economy experts. I favor economy as much as anyone, and can see some very large economies we should make, for I think the waste in government must be cut out and no service of government should be established or continue which does not render more in service than it costs. But I do not believe in reducing the income of a class of people who now have an insufficient income. And I oppose the proposition to eliminate a service which has justified itself like vocational education. This is, in my judgment, some of the most valuable money appropriated by our Government.

Let me say this to some of those economy experts who advocate the elimination of vocational education: Just two years ago practically all of you supported a measure to

give back to the income-tax payers, some of whom at that time had net incomes of more than \$10,000,000—enough to carry on this work for nearly 25 years. There were less than 40 Members of this House who opposed that, and as I have shown from time to time with a few others the fallacy of this legislation, not one man in the light of years has defended it. O my colleagues, let us not fail the people at this time. It is true the eyes of the people are on us, and we must not fail them.

I hope the Cannon amendment will be agreed to, and then this valuable work will continue to give its benefits and spread to every section of our country.

Can this country, in a progressive age like this, afford to stop education and progress and turn backward 40 years? It can not, and we shall meet the test by carrying forward this valuable work. I hope at an early date, when I can get more time, to give more in detail some facts in reference to this work.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. DYER. Mr. Chairman, I make the point of order that debate is exhausted upon the pending amendment.

The CHAIRMAN. The point of order is sustained. The question is on the substitute amendment offered by the gentleman from Maine.

The substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

Mr. LA GUARDIA. Mr. Chairman, I offer a perfecting amendment to the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

The CHAIRMAN. The gentleman from New York will send his amendment to the desk.

The Clerk read as follows:

Amendment offered by Mr. LA GUARDIA as a substitute for the amendment offered by Mr. SIMMONS: Page 15, line 14, strike out "1934" and insert "1939."

Mr. LA GUARDIA. Mr. Chairman, the provision in this bill gradually eliminates the funds for vocational training and is typical of the spirit of the so-called economy under which we are operating. I am sure that the committee in its desperation simply closed its eyes and reached out and grabbed anything it could put its hands on, regardless of the merits of the proposition. It has been repeatedly stated on the floor of the House that as to wages, if we went below the \$2,000 exemption, 70 per cent of the employees or 75 per cent would be found to be in that category. Hence the greatest economy is to be made out of the salaries of the lowest-paid employees. There is no recommendation in this bill to reduce the subsidies given to the private shipowners. There is no recommendation in the bill to reduce the subsidies given to the operators of air mail. There is no suggestion here of a moratorium on the interest of Government bonds for one year. After the committee deducted 11 per cent of the wages of the employees, the bill seeks to gradually eliminate all activities of the Federal Government for vocational education. My city alone appropriates for education over \$10,000,000 a year. We will get along without this appropriation, but we are interested in education as a national proposition. [Applause.] My State perhaps will pay the greater portion of this appropriation. I take sharp issue with the gentleman from Iowa [Mr. RAMSEYER], usually correct, when yesterday he so forgot himself as to take the floor and revert back 30 years and try to array the workers of the city against the producers on the farms. That speech will ring as a discordant note for a long time, particularly that part where he said, "We farmers must stand for this economy bill because the representatives of the city are opposing these reductions."

In reply to that, speaking for the workers of my city, I say to the gentleman that we are opposed to eliminating appropriations for vocational training for the people of the gentleman's State. The new spirit of this day is the common understanding between the farms and the cities, because as long as we are kept apart each is being exploited by a handful of people who are urging this economy bill.



## ACTIVITIES OF THE BOARD

The activities or responsibilities of the Federal Board for Vocational Education are prescribed under the terms of the national vocational education act, the rehabilitation act, and other acts complementary thereto. In general they may be grouped under six different headings:

**Administrative:** The board is responsible (1) for certifying to the Treasury Department the allotments to the States as provided under these acts; (2) for ascertaining that Federal funds are actually used for the purposes for which they are appropriated.

**Advisory:** The board is called upon to advise State boards with regard to the proper use of funds, to the preparation of State plans to meet the varying conditions existing in the several States, in order that the work may be best adapted to the situation existing in individual States, and to the development and promotion of programs on a state-wide basis.

**Service:** A general cooperative service is rendered to other Government departments, to State boards for vocational education, to local educational authorities on request of State boards, and to a large variety of national business, industrial, agricultural, and educational associations.

The general character of this service is indicated as follows:

First. Assisting States in developing more effective programs of teacher training.

Second. Assisting industrial, commercial, and business organizations to develop programs for the training of their employees.

Third. Cooperation in vocational education surveys.

Fourth. Making analyses of training needs for specific occupations.

Fifth. Conducting special schools of instruction.

Sixth. Establishing foreman training as a phase of industrial education.

Seventh. Conducting conferences of employers and labor to define local needs for vocational training.

Eighth. Assisting other departments of the Government in connection with their problems of vocational training.

A somewhat detailed list of the organizations and groups with which the board has cooperated is attached to this letter.

**Research:** The board is responsible under the several acts which it administers for making studies and investigations in the field of vocational education as specified in the act. It is also responsible for bringing the results of such studies to the attention of State and local authorities engaged in the operation and promotion of programs of vocational education through the personal services of its staff and through publications.

**Quasi judicial:** Under the terms of the vocational education act the Federal board is specifically charged with wide powers of interpretation, in order that situations in different States may be effectively met. This power was conferred upon the board to avoid implanting by statutory provisions a stereotyped program on all States. The law as drawn is very general in its scope because Congress recognized that in the development of this new line of work many adaptations would be necessary as more experience was secured. The way in which this responsibility has been met is shown in the various administrative bulletins of the board.

In addition, the board is responsible for withholding funds in case a State has not expended them in accordance with the provisions of the acts under which they are appropriated.

**Regulatory:** This activity consists essentially in seeing that all programs where Federal funds are applied are operated in accordance with the general intent of Congress and the spirit of the act.

## REASONS FOR ESTABLISHING AN INDEPENDENT BOARD

In enacting the vocational education act it is clearly apparent that Congress had in mind service to that group of young people and adults who were not being reached and efficiently served by the regular public schools. It was

emphasized that the contemplated service should be of practical value, and that it should be directed by practical people.

Congress recognized that while generous provision had been made for vocational education for the professions, the great majority of young people and adult citizens who had dropped out of the regular public schools were in need of an opportunity to secure practical vocational education and training of less than college grade to meet their needs.

In view of the existing situation, Congress recognized that the program must be safeguarded if the large group of people, both young and old, who had left school and gone to work, or who were desirous of preparing themselves to go to work, were to be effectively served. The first purpose was to provide serviceable education and training to assist people to get a job, hold a job, or get a better job. The second purpose was to guard against the danger that this work might become so academic in character that it would fail to render the specific service intended.

The third purpose was to insure that the funds appropriated would be used for the purposes intended by Congress and that they would not be diverted to support forms of general education which Congress believed were already adequately financed.

Furthermore, it is apparent that Congress recognized that vocational education is essentially an economic agency in that training for work directly affects the interests of many groups, such as employers, employees, and the general public. In order to secure equitable representations of all interests affected, Congress provided a representative board on which labor, the employer, and other interested parties were represented, and it conferred upon this board advisory, regulatory, and quasi-judicial functions. These interests of Congress are very clearly set forth in statements made on the floor of the House by the Hon. Irvine J. Lenroot and others on December 11, 1916, excerpts from which are attached to this letter.

## OPPOSITION MET UP TO THE PRESENT TIME

In general, it may fairly be stated that the opposition which exists is largely the result of misinformation and misunderstandings as to the work of the Federal Board for Vocational Education. As a result of these misunderstandings and misrepresentations the report has been circulated that the board dominates State programs and dictates standards to individual States and local communities within those States. This is untrue. The standards required by the board are only those set up in the acts, and such interpretations as have been agreed to in conference between representatives of the board and official representatives of State boards. The board operates no schools directly, employs no teachers, and enters into the picture only so far as Federal funds are used. Any State is perfectly free to set up any kind of an educational program that it wants without any regard to any Federal standards or interpretations of the Federal board so long as Federal funds are not involved.

In the great majority of cases opposition arising through misinformation or misunderstanding has come from college representatives who have not participated in the program, many of whom are connected with privately owned or endowed institutions and foundations. These individuals have little first-hand information concerning the program and little or no actual experience in public-school work. In many cases educators at first indifferent or even actively opposed have entirely changed their point of view after having come in contact with the programs which have been developed in their States and local communities.

Sources of opposition: Among the specific sources of opposition are, first, those who oppose the act as such, without any regard to the form in which it is administered. This opposition has been based upon the grounds that any form of Federal aid is unconstitutional. Second, that any recognition of any difference between vocational education and general education is socially undesirable.

Third. Certain leading authorities in general education connected with the faculties of institutions which make a



specialty of training school administrators, have taken the position that vocational education is undemocratic because it closes the door of opportunity to some who might desire to go to college, and tends to create class distinctions because vocational education does not satisfy college-entrance requirements. One effect of their teaching has been to affect the attitude of many school administrators unfavorably toward the whole question of vocational education of less than college grade as a part of the public-school system.

Fourth. Some opposition has been expressed to the advisory and service activities of the board carried out through representatives of the board working in various States and communities at the request of the State authorities. This has come mainly from representatives of institutions of college grade who have felt that such advice and service should come from their institutions rather than from the Federal board.

Fifth. Objections to rulings of the board in its quasi-judicial functions. These have not been numerous. In certain cases, however, objection has been raised to the board's rulings because of a belief on the part of certain educational authorities that Federal funds should be placed at their disposal without any accompanying standards or restrictions of any kind as to the use of such funds.

As evidence that this type of opposition has not been important, it may be stated that while the national vocational education act specifically provides that any State may appeal to Congress from rulings made by the Federal board, no appeal has been made during the entire time that the board has been in existence.

Sixth. There has been some opposition to the standards set up in the act itself and to the interpretative rulings of the board. These objections are, in general, due to the fact that certain school administrators fail to see that the standards set up in general education and appropriate for that work are not appropriate for vocational education. Because of its practical character, vocational education calls for the employment of occupationally competent workers as teachers, the securing of time sufficient to insure that thorough education or training can be given to insure ability to make good on some definite job or employment level, and proper restrictions on the number of people trained for employment with regard to those already competent to do the work who are seeking employment and other necessary safeguards of that character. Such standards do not correspond to those set up in the general educational field and must be met in order to insure that the program shall accomplish what Congress expected it to accomplish.

Seventh. Some objection has also been developed with regard to the requirements in the act that the board shall annually ascertain that Federal funds have been used for the purposes for which they were appropriated. This objection has not been serious nor has it been widespread, but it has existed in certain cases, chiefly from a group of individual theorists having no official connection with the program.

#### REASONS FOR CONTINUANCE OF THE PROGRAM UNDER AN INDEPENDENT ESTABLISHMENT

First. The conditions which existed in 1917 and which led to the passage of the original act still exist to-day. In fact, these conditions have been aggravated by technological displacement and by more rapidly changing conditions.

Second. Such opposition as existed in 1917 on the part of general educators still exists to-day, possibly in a somewhat more intensified form, hence the need for the safeguards set up by Congress, including representative control, are even more necessary to-day than they were in 1917.

Third. The group which Congress had in mind to serve needs protection to-day as much and even more than it did in 1917. The belief by certain persons that this group should not be given vocational training at public expense is as strong to-day as it was in 1917. The safeguards set up by Congress are as necessary to-day as they were 14 years ago. The recognition of the need and the desirability of a protected special service to this group was so thoroughly rec-

ognized in 1917 that most employer organizations, the American Federation of Labor, and many other national organizations joined in advocating the act under independent, representative control. The legislation was passed by Congress in both Houses by unanimous vote. In passing this legislation, Congress recognized that a democratic system of education must provide varying opportunities to meet varying needs rather than one standard opportunity leading through the college to the professions.

Wherever the Federal board has worked in cooperation with State boards for vocational education, with national organizations of all kinds, with labor organizations, and with representatives of industrial organizations, the economic value of the service rendered has been acknowledged, as is shown by many statements in the files of the board. The policy of the board in utilizing the principle of conference with parties interested has almost invariably resulted in a settlement of any disputed points to the satisfaction of all parties concerned.

A review of the 14 years during which the board has been in existence has shown no case where the interested parties have protested against anything with which the board has been concerned in the way of the promotion of programs and aiding the States in the carrying on of the work. On the other hand, in the case of such organizations as the American Federation of Labor, the United States Chamber of Commerce, national manufacturers' associations, and many others, resolutions commending the work of the board have been voluntarily adopted on numerous occasions.

#### PARTISAN POLITICS DID NOT ENTER INTO THE CONSIDERATION AND PASSAGE OF THE VOCATIONAL EDUCATION ACT (SMITH-HUGHES ACT, FEBRUARY 23, 1917)

The national vocational education act passed by Congress February 23, 1917, was in no way a partisan measure. Those who have any misgivings should read the CONGRESSIONAL RECORD during the years 1914 to 1917 and note the debates by many Congressmen of both major political parties and statements inserted in the RECORD by laymen, chambers of commerce, manufacturing associations, agricultural groups, and labor organizations in behalf of this law. From these it is thoroughly evident that at no time did political partisans endeavor to capitalize or claim party credit for the passage of the act.

The facts are that Senator Dolliver, of Iowa, and Representative Davis, of Minnesota, both well-known Republicans, championed the first bill. Senator Page, Republican, of Vermont, and Representative William B. Wilson, a Democrat, later Secretary of Labor in the Cabinet of President Wilson, sponsored the bill in its second stage.

Senator Hoke Smith and Representative Hughes, both Democrats from the State of Georgia, were members of the President's commission of 1914, this commission being created to make a study of the need for such legislation. Senator Smith was chairman of the Committee on Education and Labor in the Senate, and Representative Hughes chairman of the Committee on Education in the House.

When the vocational education act was being considered during the sessions of 1916 and 1917 many Members of the House and Senate, both Democrats and Republicans, vied with each other to advance the measure, and expressed their enthusiasm in its behalf. During the debate in the House Members complimented and praised Mr. Hughes.

Only two Members of the House—Mr. James Slayden, of Texas, and Mr. Finis Garrett, of Tennessee—questioned the advisability of its passage, and they feared it might interfere with certain State rights. On its final passage they did not vote against it.

The RECORD shows that on the final passage of the bill in the House the whole body was so elated that the Members arose en masse and vigorously applauded.

Never at any time were party lines drawn. There is no record of allusion to political party credit in any of the debates. Undoubtedly, the American people should be proud of the fact that this great educational, humanitarian measure passed Congress by a unanimous vote.



REASONS WHY CONGRESS CREATED AN INDEPENDENT REPRESENTATIVE BOARD TO ADMINISTER VOCATIONAL EDUCATION

[From the CONGRESSIONAL RECORD, March 16, 1916]

Resolution from outside organizations in regard to composition of board (64th Cong., 1st sess., vol. 53, pt. 5, p. 4178):

Mr. SMITH of Georgia. Mr. President, we have upon our calendar reported with the unanimous approval of the Committee on Education and Labor the bill providing for vocational education, which was prepared by the joint commission under a joint resolution last year. The bill will be brought to the attention of the Senate in the near future, and I wish to have printed in the RECORD certain resolutions that have been passed with reference to it.

The bill was submitted to the department of superintendence of the National Education Association; also to the American Home Economics Association; and also to the educational committee of the American Federation of Labor. All of these organizations have given, through committees, careful study to the bill, and they have indorsed it with one exception.

The bill as presented to the Senate provides for a board of control consisting of Cabinet members. The department of superintendence, National Education Association, and the American Home Economics Association each recommend that the board of control should be members selected outside of the Cabinet. I ask that the resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolutions

[From department of superintendence, National Education Association, February 24, 1916]

*Resolved*, That the department reaffirms its approval of Federal aid to vocational education as proposed in the Smith-Hughes bill and now before Congress. It believes, however, that the work to be done is so important and so diversified as to require the creation of a Federal board to administer the act, who shall give their undivided attention to the subject and who shall be representative of the educational interests to be served.

[From American Federation of Labor]

*Resolved*, That the executive council of the American Federation of Labor indorse the Smith-Hughes bill for industrial education with the declarations made by the National Society for the Promotion of Industrial Education as contained in the quoted parts of the letter to Congress of January 27, 1916.

[From American Home Economics Association, February 25, 1916]

The American Home Economics Association, assembled in Detroit, reaffirms its approval of Federal aid to vocational education as provided for by the Smith-Hughes bill, recommended by the President's Commission on National Aid to Vocational Education and now before Congress.

The association believes, however, that the ends to be served are so important and so diversified as to require a Federal board the members of which shall give their undivided attention to the administration of the act and shall be representative of the interest to be served.

[From discussion in House of H. R. 11250 and S. 703 (64th Cong., 2d sess., vol. 54, pt. 1, pp. 720-721, December 11, 1916)]

Mr. Powers, in considering a section of the proposed bill permitting the Federal board to allot "any part of such appropriation to any United States department or bureau for the purpose of making any study or investigation, or any part thereof, under the provisions of the act," made the following comment:

In other words, if this board should be composed of educators as suggested, with the Commissioner of Education, of course, himself an educator, it would be within the power of the board to allot the entire \$200,000, or any part of it, it might deem proper to the Bureau of Education to make these investigations. Those of us who are afraid that a Federal board would be appointed largely of educators believe that this section 6 should be so amended that the great industries of this country that the bill proposes to try to reach and help should have representation on the board, and that they should be called in from the fields of agriculture, and that the commercial interests should be represented. The purpose of the bill is to reach and prepare the students for useful employment. That is the idea of it; that is the foundation of it; that is the reason of its existence.

[64th Cong., 2d sess., pt. 1, pp. 175, 176, 177, December 11, 1916]

Mr. LENROOT. \* \* \* I wish to discuss it now, rather than to wait until the bill shall actually come before us for consideration, because I think it is a matter of such importance that the success or failure of this bill when it is enacted into law will depend very largely upon how Congress shall deal with that fundamental point, and I sincerely hope that, between now and the time when this bill shall be actually considered by us, the membership of this House will give serious consideration to the matter that I propose to discuss. That matter is the method of the organization of this Federal board.

As Doctor Fess has stated, the Senate bill provides for an ex officio board composed of five members of the Cabinet. The House bill provides for a board consisting of five members, four of them to be appointed by the President of the United States, no more

than two of whom shall belong to the same political body, and the fifth member, the Commissioner of Education, who shall ex officio be a member of the board. Now, to my mind, neither of these systems or methods will bring about the result that ought to be gained by the enactment of this bill. There are only two grounds upon which Federal aid for this purpose can to my mind be justified: One, to secure the establishment of practical standards of vocational education; second, to stimulate the States by Federal aid to accept these standards. I have no sympathy with the view sometimes expressed that the Federal Government should aid the States in carrying the burdens of vocational education. On the contrary, any State that to-day has any practical system of vocational education can well afford to continue it out of its own funds, for there is no expenditure that the State can make that will bring better or larger returns to it than a practical system of vocational education. But it is necessary to establish practical standards, and in order to secure the adoption of those standards it is necessary that Federal aid such as is proposed in this bill be given.

Now, the House bill provides that the Commissioner of Education shall ex officio be the chairman of the board; that four members shall be appointed by the President. And I am afraid that that is going to mean that the fixing of these standards and the control of this subject will be in the hands of general educators rather than in the hands of practical men. And I want to say very frankly that I do not believe general educators are qualified to fix standards for vocational education such as we ought to have in the United States. It is no reflection upon any general educator when I say that any more than it might be considered to be a reflection upon me if some one should say that I was not qualified to perform a surgical operation.

In the fixing of these standards we will agree that they should be practical standards. They should be standards such as, when adopted by the State, are going to result in training boys and girls for vocations. Is that going to be secured unless those standards are passed upon by practical men? If not passed upon by practical men, they will be fixed by an examination in the field, in the first instance, by trained men, it is true, college graduates, trained investigators in getting raw material, but who have never had any practical experience in industry or in trade. They in turn will send their reports in to the Bureau of Labor or other department, as the case may be. That raw material will be interpreted by experts who have never had any practical experience; and, finally, general educators through these channels will fix the standards, and they themselves are not practical men in these lines. So we have theory from beginning to end as against the fixing of standards by practical men. So it is my purpose at the proper time to offer an amendment providing, as the House bill provides, for five members of this general board, the Commissioner of Education to be a member ex officio, four members to be appointed by the President of the United States, but with the qualifications that one of those members shall be representative of labor, one of them representative of manufacturing, one representative of commerce, and one representative of agriculture. And I want to say, Mr. Chairman and gentlemen of the committee, that this method which I shall at the proper time propose is not only indorsed but it is urged by the United States Chamber of Commerce, by the National Association of Manufacturers, and by the American Federation of Labor.

Mr. LENROOT. Coming back to where I was interrupted, where I was stating that the method I proposed has the indorsement of the National Chamber of Commerce, the National Association of Manufacturers, and the American Federation of Labor, I want to suggest that if upon any question the American Federation of Labor and the National Association of Manufacturers can agree, it is a matter of very serious consideration for the membership of this House. With reference to the United States Chamber of Commerce, the Members of the House no doubt have received a pamphlet from them where the Chamber of Commerce specifically asks for the amendment of the bill in the certain particulars that I propose to offer as an amendment here. The National Association of Manufacturers has adopted a resolution declaring that in their opinion that board should be made up of the interests specially to be advanced—labor, employment, and education. The American Federation of Labor in its report to the executive committee made at their annual convention last month used this language:

"We had hoped that the provisions of the act relative to the board would have been changed so that the Secretaries of the several departments of Agriculture, Interior, Commerce, and Labor would not have been delegated as the board. We felt that their duties are already altogether too onerous and too complex to have this additional responsibility thrust upon them. There is, in addition, a double danger in having department Secretaries serve as the Federal Board for Vocational Education—first, administrations and administrative officials are subject to quadrennial changes, and it has happened in the past that sometimes Cabinet members have been changed several times during an administration. This objection in itself should be sufficient for us to object to the Federal Vocational Education Board being so constituted. The second objection is a more serious one, namely, that of the possible injection of partisanship into the administration of this new field of educational effort.

"It is our opinion that this new board should be composed of representative men, but not partisan representatives of the administration in power. Its personnel should represent the great



fundamental activities of life, namely, agriculture, labor, commerce, industry, and education, and the local advisory boards should be equally representative, so that the human activities of the Republic could feel assured that experienced, tested men from their own vocations, such as labor, commerce, agriculture, industry, and education, should be fairly and efficiently represented.

"It is our opinion that when this measure is once launched it should be directed along proper channels at the start. If we permit politicians to direct its energies, there is a danger that it may become a mere political adjunct of the party in power. If we permit the present academic educational group of the Nation to dominate, the whole force and virtue of genuine vocational trade training will be in danger of being lost sight of, and the Nation's appropriations will probably be misdirected along minor lines of endeavor, such as manual training, amateur mechanics, and other trifling, impractical, valueless schemes. Neither can we afford to permit this great measure to be overweighted by any special trade, commercial, or vocational interests. The agriculturists should not predominate, neither should the commercial or even the labor and industrial interests. We should insist that the board be properly balanced to start with, and that the interest of each of the great divisions of activity should be fairly and properly conserved, and unless we are otherwise instructed by this convention we shall make endeavors to change the proposed law according to the lines herein laid down."

That, Mr. Chairman, is the view of the American Federation of Labor. Now, I submit that the views of the manufacturers and of labor, when they agree upon a proposition like this, are entitled not only to weight in this House, but in a matter of this kind ought, it seems to me, to control, rather than the views of the general educators, who very humanly desire to have for themselves all the power that they can get. It is no reflection, as I said a moment ago, upon the general educators that they desire this power; but if this is to be a workable and successful measure, as I hope it will be, we ought to do everything within our power to make it practical in every sense of the word.

[From the CONGRESSIONAL RECORD, pp. 769-770, January 2, 1917]

Mr. BORLAND. Is not a board a rather clumsy method of doing business?

Mr. FESS. No; not if it is a small board.

Mr. BORLAND. There is a tendency to create more boards than we really need. In fact, I very gravely doubt—and it is my one doubt about this bill—whether we need this Federal education board; and whether it would not be entirely better and more efficient and appropriate to have it managed by the Federal superintendent of education or Commissioner of Education.

Mr. FESS. I think the work is, so very comprehensive that it ought to have a board of managers well equipped for this particular work.

[From CONGRESSIONAL RECORD, p. 3426—Conference Report No. 1495, February 16, 1917]

The measure as it passed the Senate provided that the Federal Board for Vocational Education be composed of the Postmaster General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor, and the board was authorized to select an advisory board of seven members. A number of experts and specialists were also authorized to assist the board.

The measure as it passed the House provided for the appointment by the President of a representative of manufacturing interests, a representative of commercial interests other than manufacturing, a representative of labor, and a representative of agriculture to act with the United States Commissioner of Education as a board of five to administer the act, and provided for the employment of such assistants as might be necessary.

The provision agreed to by the conferees is a blending of the two proposals, so that the new system is to be linked with the Government by the designation of the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, and the Commissioner of Education as ex officio members of the board, and the appointment by the President, with the advice and consent of the Senate, of a representative of the manufacturing and commercial interests, a representative of the agricultural interests, and a representative of labor to act with them as members of the board.

The House receded from its amendments to the bill, which had the effect of merely "authorizing" the appropriations, and the appropriations are definitely made in the bill as reported from conference.

#### COST OF REHABILITATING THOSE DISABLED IN INDUSTRY OR OTHERWISE

One of the acts administered by the Federal Board for Vocational Education is the act passed in 1920 known as the act for rehabilitating those disabled in industry or otherwise. During the life of that act 48,502 persons have been rehabilitated and put to work at a total cost of \$12,757,457, or an average cost of \$263.03 per person. The Federal cost was \$6,193,410.20. The States expended \$6,564,046.98. These handicapped people were being kept prior to rehabilitation by some taxing district or otherwise at a cost of from \$300 to \$500 annually. The average age of those rehabilitated was 32 years. The life expectancy of a person 32 years of age, according to the American-Canadian Expectancy Table, is 68 years, or 36 years additional. Fixing the

cost of keeping these people at \$300 per annum each, which is the minimum, it would have cost some taxing district or otherwise to keep these 48,502 people \$14,550,600 annually. Multiply that by 36, the number of years they are expected to live, according to the expectancy table, and you have a total cost of \$523,821,600.

Now, what was done? The Federal board, in cooperation with the States, rehabilitated these people at a total cost of \$12,757,457. So you have a net saving in that one transaction of \$511,064,143; but that is not all. One of the mid-Western States during the last seven years has rehabilitated 1,391 persons. Their average earning power after being rehabilitated over what it was prior to injury was \$699.97. If that average would hold good with the 48,502, and fixing their working expectancy at 30 years instead of 36, as used in the first calculation, the increased earning power of those rehabilitated would amount to \$1,018,498,348.20. You have saved in the cost of keeping these people \$511,064,143 and at the same time you have added to their earning power \$1,018,498,348.20, making a total of \$1,529,562,491.20 during the life of this act. You have saved enough money in this one transaction alone to pay all the cost of the Federal board in Federal, State, and local money in all of its many activities for a period of 47 years.

That is only one side of the picture—the economic side that the Congress has spent so much time in discussing recently. Now let us look at the humanitarian side. It so often happens when these unfortunate cripples or handicapped people are at the head of a home, with dependents, a wife and children. When the head of the home becomes incapacitated, the home is broken up, the wife is sent to the workshop, the children are farmed out. A home is broken up, an irreparable damage has been done to society. The humanitarian side is even greater than the economic side. I seriously doubt if the Government, either Federal, State, or local, can show such marvelous results as that part of the work now being carried on by the Federal Board for Vocational Education. Will the Congress continue this humanitarian and economic work, or will it consolidate, transfer, or merge it into some other executive department, board, bureau, or commission that knows nothing about it? I hope not. Can any other department do this work as well as it is now being done? I seriously doubt it.

I appeal to you who are interested in your States and are in need of this appropriation to stand with us of the cities who are willing and anxious to cooperate with you in maintaining this splendid activity. [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, with each passing hour is being demonstrated how futile the efforts of this Economy Committee have been to save some money for the Treasury of the United States. The gentleman from New York [Mr. LaGUARDIA] has just harangued you, trying to make you think that only a few people in this country are asking for economy. I say to you that the taxpayers of this country are demanding that there be a reduction in governmental expenditures, and the only people who are opposing it are those who are selfishly interested. Take the items before us at the present moment. Every one of us has been receiving all sorts of telegrams and letters opposed to it. I hate to vote in favor of reducing this appropriation for vocational training, but it is only a temporary proposition. [Cries of "Oh, no."]

Mr. REED of New York. It has nothing to do with the present emergency; not a thing. It is to be eliminated 10 years hence.

Mr. WOOD of Indiana. It has to do with the present emergency. We got along without this vocational education for a long, long time. It has been productive of good, and it may be productive of good again and will be, but I wish the Members of this House to consider that we are facing an emergency. If we are to balance this Budget, we must make sacrifices all along the line.

Mr. MAY. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. MAY. I will ask the gentleman to state to the House whether there is a graduated scale proposed in this bill



which, at the end of 10 years, will entirely eliminate this appropriation?

Mr. WOOD of Indiana. No. But if it were true, let me state the trouble with this entire business. I may as well state now what I have in mind. My idea is that if we keep up this 50 per cent business we will not only bankrupt the Government but we will bankrupt every State in the Union.

Mr. WOODRUM. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. WOODRUM. I know the gentleman desires to be correct in his statement, but the gentleman is obviously in error about the provision with reference to which he has just spoken. It does not call for any reduction in the next fiscal year, and therefore will not affect the 1933 Budget at all, but it does contain a graduated reduction of the appropriation so as to wipe it all out in 10 years. It does not affect the present depression in any way whatever.

Mr. WOOD of Indiana. Suppose that is true.

Mr. WOODRUM. Well, it is true.

Mr. WOOD of Indiana. And admit that it is true. I want to say that if ever there was a time in this world when the Congress of the United States should be awakened to the danger that we are in, by reason of the Government appropriating money, money, money, it is now. We are not only involving the Government of the United States in debt, but we are involving every State of the Union in debt.

Mr. Chairman, I rose not so much in opposition to this particular item, but on account of the principle that is involved here.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended five minutes.

Mr. DYER. Mr. Chairman, I make the point of order that the debate upon this amendment is exhausted.

The CHAIRMAN. The Chair sustains the point of order.

The question is on the adoption of the substitute amendment offered by the gentleman from New York [Mr. LA-GUARDIA].

The substitute amendment was rejected.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

Mr. HILL of Alabama. Mr. Chairman, I offer a substitute to the amendment offered by the gentleman from Nebraska, to strike out the figure "1934" and insert in lieu thereof the figure "1937."

The CHAIRMAN. The Clerk will report the substitute.

Mr. DYER. Mr. Chairman, I make a point of order.

The Clerk read as follows:

Substitute amendment offered by Mr. HILL of Alabama for the amendment offered by Mr. SIMMONS: Page 15, line 14, strike out the figures "34" and insert the figures "37."

Mr. DYER. Mr. Chairman, I make a point of order against the amendment, that it is dilatory and is for the simple purpose of securing time to address the committee. That has been repeated in a number of instances. There have been a dozen speeches, at least, in favor of striking out this section. I make the point of order, Mr. Chairman, because otherwise we will go on forever on this section.

Mr. SCHAFER. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. Assuming all the gentleman says is correct, the Chair thinks the gentleman from Alabama has come within the rules.

Mr. DYER. It is evident the committee intends to strike out the section. I think we ought to be permitted to vote upon it now.

The CHAIRMAN. The gentleman from Alabama [Mr. HILL] is recognized for five minutes.

Mr. HILL of Alabama. Mr. Chairman, the gentleman from Indiana [Mr. WOOD] has stated that this provision to eliminate the appropriation for vocational education was put into the bill to meet the present emergency; yet when we examine the language of the bill, we find the provision

does not even commence to become effective until one year from July 1 next.

When we consider that this Government has a \$4,000,000,000 Budget annually and that the appropriation for vocational education is some \$7,000,000 annually we find that if the provision remained in the bill and the appropriation was wiped out, it would be a saving to the Federal Government of less than two one-hundredths of 1 per cent.

Mr. ESLICK. Will the gentleman yield?

Mr. HILL of Alabama. I yield.

Mr. ESLICK. May I give the figures of such savings by vocational training in regard to agriculture?

Mr. HILL of Alabama. I yield to the gentleman briefly. He is such a devoted friend of education and is always so able that I hope the gentleman will state for the benefit of the House one or two of the most important figures and let me incorporate all of them in the extension of my remarks.

Mr. ESLICK. In a 10-year period the boys in vocational training in my State deposited \$3,823,084.06, a net saving over and above the contribution made of \$2,383,485.

Mr. WOODRUFF. Will the gentleman yield?

Mr. HILL of Alabama. I yield.

Mr. WOODRUFF. As I understand it, this economy bill is before the House for the purpose of bringing about a balanced Budget at the end of the fiscal year 1933.

Mr. HILL of Alabama. It is all predicated on that proposition.

Mr. WOODRUFF. May I ask the gentleman if this particular provision in this bill in any way contributes one penny to that purpose?

Mr. HILL of Alabama. Not one red cent does this provision in this bill contribute to that purpose.

Mr. HASTINGS. Will the gentleman yield?

Mr. HILL of Alabama. I yield.

Mr. HASTINGS. Will the gentleman yield to permit the committee to state whether or not it is agreeable to have this section stricken from the bill?

Mr. HILL of Alabama. In reply to the gentleman from Oklahoma, if the committee wants to strike this provision from the bill, all that is necessary is for some member of the committee to make a motion to strike it. Every opportunity has been given for that purpose.

Mr. HASTINGS. I appeal to the gentleman's colleague to ask him if he will not do that.

Mr. HILL of Alabama. Mr. Chairman, this vocational education was pioneered by that great leader of thought in this country, Theodore Roosevelt, and it was brought into being under the leadership of that other great leader of thought, Woodrow Wilson. [Applause.]

Under the stimulus given vocational education by Federal aid the work is being carried on among children and among men and women in literally thousands of schoolrooms throughout the country. Millions of children and millions of men and women are engaged in vocational education in agriculture, in trades and industries, in home economics, in rehabilitation, and in the most important fields of human labor. The appropriations of many State governments for vocational education are contingent upon the Federal appropriation, and the States have spent thousands of dollars for school buildings and equipment, relying upon the receipt of the annual Federal appropriation. For the Federal Government to now cease this appropriation would be to break faith with these States and would perhaps in a number of States be a death knell to vocational education.

The provision in the bill destroying the appropriation would deprive thousands of farmers throughout the land of education on farm subjects which run the whole gamut from farm accounting to the conservation of the soil. It would deprive these farmers of an education which makes for the emancipation of the farm home through getting larger returns from smaller areas and fewer laborers, and thereby making it possible for the farm women to spend their time on home-making problems and the children to be free to attend school and prepare themselves for life and its battles. The provision would disorganize the program in



evening and day schools of home-making classes composed of mothers and housewives who are striving for better health conditions, more adequate food, better living conditions, and greater happiness. It would disorganize the thousands of chapters of the Association of Future Farmers of America, composed of high-school boys who are to be the agricultural leaders of the future and who are being trained in scientific and practical agriculture.

It would close the door of opportunity to thousands of men and women who were denied the advantages of education and training in their youth and who now are struggling to make themselves better, more useful, and more intelligent citizens. The provision would deny thousands of men out of employment due to new machinery and new technology the opportunity to train and prepare themselves for work in other lines of endeavor. It would even deny the deaf and blind in our institutions that education and training which they must have to prepare themselves for life and its battles. There is no effort here to eliminate the great subsidies paid by our Government to the shipping interests and the other great interests of this country. This Congress voted an extension of the debt of Germany to the amount of \$250,000,000 which in the opinion of many is but the first step toward the cancellation of all our foreign debts. Can it be that this House will now deny the small sum of some \$7,000,000 to be used throughout the country for vocational education? I appeal to the membership of the House to strike from the bill this provision eliminating the vocational education appropriation and let us take a stand for the people—the people who too often are forgotten.

Under leave to extend my remarks, I include the following statement from the gentleman from Tennessee [Mr. ESLICK]:

May I not quote the record of vocational education in Tennessee, showing what a blessing and profit it has been to the boys of my home State? Since July 1, 1918, the Government has spent there \$853,179.55 on vocational education; the State has spent \$586,419.37, or a total of \$1,439,598.92. This money has been paid to teachers and in supervising training.

From July 1, 1921, to June 30, 1930, the boys taking vocational training in the high schools of Tennessee had from their labors on supervised farms a net income above expenses of \$3,823,084.06. Take from this contributions, both State and Federal, leaves the large sum of \$2,383,485.14 as a net profit. This is the only branch of the free schools in Tennessee where a boy can earn when he learns.

One other statement, in the last three years the Tennessee Association of Future Farmers of America, who are students of vocational training, have deposited in savings accounts \$198,630.17 and have invested in farm land and livestock \$706,515.63. Vocational education is doing a great work for the youth of the country. This bill destroys it beginning with 1934 and I am unalterably opposed to the destruction.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. DOUGLAS of Arizona. Mr. Chairman, I rise in opposition to the amendment.

Mr. DYER. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

Mr. SCHAFER. Mr. Chairman, I offer as an amendment to that motion that all debate close in 30 minutes.

The CHAIRMAN. The question is on the amendment to the motion.

The amendment was rejected.

The CHAIRMAN. The question is on the motion of the gentleman from Missouri that all debate on this section and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. DOUGLAS of Arizona. Mr. Chairman, it has been stated that the provisions of section 303 of this amendment will completely eliminate at the expiration of 10 years all appropriations for vocational education. Those who have made that statement are under a misapprehension. The provisions of section 303 reduce in equal amounts over a period of 10 years the permanent annual appropriations for vocational education, but do not in any respect interfere with or reduce the appropriations made annually for vocational education.

The committee in inserting section 303 in the bill was doing nothing more nor less than carrying out the recommendation of a board which had been appointed to investigate the relationship between the Federal Government and the States in so far as education is concerned. That board reported in express language that vocational education and the contributions by the United States for that purpose should be gradually diminished so as to leave the field entirely to the States.

Mr. BULWINKLE. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I decline to yield for the moment.

The board in its report stated that the vocational education act, the act authorizing and making appropriations for this purpose, in effect made the States in conducting their educational activities in this field completely subversive to the United States. The States could not obtain the money appropriated for these purposes unless they complied with the regulations laid down by the board. The commission which had been appointed to investigate this subject stated clearly that such subversion on the part of the United States was not in accord with sound principles of education.

Mr. BULWINKLE. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I have declined to yield, I will state to the gentleman.

And so the committee, when it inserted this provision in the bill, did nothing more nor less than to carry out the recommendations of the commission authorized to investigate the general question.

Mr. PATTERSON. Will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. PATTERSON. Will the gentleman inform us who paid the expenses of this commission in making its investigation?

Mr. DOUGLAS of Arizona. I have not the faintest idea who paid for the investigation.

Mr. REED of New York. One of the large foundations paid for it and had an ulterior motive.

Mr. BULWINKLE. Now that the gentleman has yielded to the gentleman from Alabama, will he yield to me?

Mr. DOUGLAS of Arizona. Yes.

Mr. BULWINKLE. Will the gentleman name the members of this commission?

Mr. DOUGLAS of Arizona. I can not name them.

Mr. BULWINKLE. Were they not connected with universities, and did they not receive large annuities?

Mr. DOUGLAS of Arizona. The members were appointed by the President of the United States.

Mr. BULWINKLE. Who made up the personnel?

Mr. DOUGLAS of Arizona. The personnel consisted of university presidents.

Mr. BULWINKLE. Name them.

Mr. DOUGLAS of Arizona. I have not here the names of the members. It was a board of some twenty-seven members, as I recall it.

Mr. PARSONS. Was that the board of education that consisted of 52?

Mr. DOUGLAS of Arizona. No; I think not.

Mr. BULWINKLE. Was the Secretary of the Interior on that board?

Mr. DOUGLAS of Arizona. As I recall it, the Secretary of the Interior was on the board.

Mr. CANNON. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. CANNON. Who financed the report and paid the expenses of the board?

Mr. DOUGLAS of Arizona. I do not know who paid the expenses of the board. The only information I have is that the board made a thorough study and investigation and submitted this report.

Mr. CANNON. Is the gentleman aware of the fact that the board was paid from private funds furnished by the Rosenwald Foundation?

[Here the gavel fell.]

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Alabama.



The substitute amendment was rejected.

The CHAIRMAN. The question now recurs on the adoption of the amendment offered by the gentleman from Nebraska.

The amendment was rejected.

Mr. PALMISANO. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. PALMISANO: On Page 15, line 8, strike out the entire section 303 and insert in lieu thereof the following:

"To suspend on June 30, 1933, the further operation of vocational education as provided by the act of February 23, 1917, and to suspend also vocational rehabilitation as provided by the act of June 2, 1920."

Mr. PALMISANO. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

Several Members objected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The amendment was rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Missouri [Mr. CANNON].

The amendment was agreed to.

Mr. BUCHANAN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. BUCHANAN: Page 18, line 11, strike out the period and insert the following: ", or to the printing and binding of farmers' bulletins under the Department of Agriculture."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order against the amendment on the ground that it is not germane.

Mr. RAMSEYER. Mr. Chairman, there was so much confusion that we could not hear the amendment read. I ask unanimous consent that it may again be reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again read the amendment.

Mr. BUCHANAN. Mr. Chairman, I feel that when any provision in the economy bill seriously affects any Government department or bureau that the chairman of the subcommittee which makes appropriations for that department ought to advise the Members of the House as to what effect it has. Therefore, in the discharge of that duty, I state to this House that if this reduction of nearly \$5,000,000 in the printing appropriation goes into effect there will not be one cent with which to print a single Farmers' Bulletin for the year 1933. Therefore we will have none to distribute and there will be none for the farmers to receive.

Let me call your attention to this fact: Senators and Members of the House distribute about 13,000,000 of these bulletins to farmers every year; the department distributes 2,500,000 every year, and 273,000 are sold by the Government every year. The receipts from these bulletins and other publications of the Department of Agriculture amount to \$75,000 a year. The members of this committee ought to do one of two things: They should either provide for the printing of these bulletins and their free distribution, or provide that the Department of Agriculture may print them and sell them to the people.

What position would you be in next year when you get requests from farmers for these bulletins and you could not supply them? Over 2,000,000 farmers write for these bulletins every year, and what position would you be in if you had to tell them they could not be purchased at the Government Printing Office and you could not distribute them because the Congress had not provided for their printing, even though their average cost is only 1½ cents each.

Mr. SNELL. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. SNELL. There was such a commotion I did not understand the gentleman's amendment. We can not understand what the gentleman is trying to do.

Mr. BUCHANAN. I have offered an amendment exempting the cost of printing farmers' bulletins from the provisions of the economy bill, just the same as the economy bill exempts the printing fund of the Patent Office.

Mr. SCHAFER. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. SCHAFER. This will also exempt the bulletins which are used in the cities because the term "farmers' bulletins" is a misnomer. There are just as many farmers' bulletins distributed in the cities as there are in the country districts, and for a very useful purpose. [Applause.]

Mr. BUCHANAN. That is true. They go to the cities the same as they go to the country districts. In my district a great number of requests for these farmers' bulletins come from the cities.

Mr. SCHAFER. I represent a city district, and I use all of my allotment. I could use two or three times as many more if I could get them. My constituents appreciate these valuable publications.

Mr. BUCHANAN. Unless this amendment is adopted and if this economy bill goes through, the gentleman will not have any.

Mr. SCHAFER. I am going to vote for the gentleman's amendment.

Mr. BUCHANAN. This section would cut \$5,000,000 from the printing appropriation. All of the departments are compelled to print their administrative forms, and it will take all of the money to print these administrative forms, so that no farmers' bulletins can be printed. I have investigated it; I have consulted with the department and gone into it fully, and I tell you that will be the result. [Applause.]

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I make the point of order on the ground that the amendment is not germane and on the further ground that on its face the amendment shows it is not an economy but provides for an additional expenditure on the part of the Government.

The provision under consideration is limited to printing and the printing of one function of the Government, the Patent Office. It is fundamental that where there is a limitation applying to only one function you can not extend it by applying it to a second function.

Further as to the point of order that the purpose of the amendment is not economy but expenditure. It is obvious on its face that this proposal is not intended to have the prior provisions of this paragraph apply but to exempt them. The prior provisions would make it mandatory that the printing must be within a circumscribed amount. The amendment offered by the gentleman from Texas seeks to lift that amount and that the \$200,000 which was carried in the present appropriation bill shall not be affected by these economy provisions as reported by the Economy Committee.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. BUCHANAN. No. If the preceding paragraph of this bill is in order this is in order.

Mr. WILLIAMSON. Mr. Chairman, I would like to be heard on the point of order. I am not for the amendment, but I think the amendment is in order.

The Chair will observe that the bill provides for certain reductions in the way of printing and binding, and leaves it up to the Director of the Budget as to how the funds for printing shall be distributed among the several departments. Of course he will distribute a reasonable proportion of the money available to the Department of Agriculture. The cost of printing farmers' bulletins is included. The proposed amendment has the effect of excluding the farm bulletins from their proportionate cut under the section. It seems to me the amendment is clearly in order.

Mr. SWING. Mr. Chairman, I desire to be heard on the point of order.

Even if the exceptions were not in the bill regarding the exempting of the Patent Office printing, the amendment would still be in order. Otherwise we would be confronted with the proposition that the bill presented by the Economy



Committee could not possibly be amended in any respect where the result of the amendment would be to reduce the amount of savings which the provisions of the bill are seeking to make, and all the amendments we have heretofore adopted would be out of order because they tend to lessen, in some respect, the total amount of savings which the bill started out to make. Therefore it is proper to offer an amendment which lessens the amounts of the cuts carried in the bill, but which does not increase the amounts authorized by existing law.

The CHAIRMAN. The Chair thinks the point of order is well taken and therefore sustains the point of order.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

Mr. BARBOUR. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARBOUR. That does not mean the title.

The CHAIRMAN. It only means section 304.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent to proceed for one minute before the motion is put.

The CHAIRMAN. The motion of the gentleman from Arizona has preference.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent, which I submit is always in order, that I may be allowed to speak one minute before the motion is put, because there is involved here the most vital prerogatives of this House and we should amend this proposition.

The CHAIRMAN. The Chair, in the exercise of his discretion, will put the request, although the Chair thinks the motion of the gentleman from Arizona has precedence.

Is there objection to the request of the gentleman from South Carolina?

Mr. DOUGLAS of Arizona. Mr. Chairman, reserving the right to object, what is the subject matter of the gentleman's statement?

Mr. STEVENSON. I want to call the attention of this House to the fact that, with respect to the appropriation for printing, this limitation will make it absolutely impossible for the Members of the House to have the Record properly printed and impossible for them to have the printing done which is absolutely necessary to run the Houses of Congress, and I want to amend it.

The CHAIRMAN. The question is on the motion of the gentleman from Arizona that all debate on this section and all amendments thereto close in 10 minutes.

The motion was rejected.

Mr. STEVENSON. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. STEVENSON: Strike out of line 20, "\$9,000,000" and insert in lieu thereof "\$10,000,000"; in line 23 strike out "\$2,000,000" and insert in lieu thereof "\$2,500,000."

Mr. STEVENSON. Mr. Chairman, there are two amendments here, of course. I am only proposing to increase the limit \$1,000,000.

The printing last year cost \$14,546,000, and this bill proposes to limit the amount that can be appropriated to \$9,000,000, a cut of one-third.

All of you are interested in this proposition, because all of you want to get your documents, all of you want the departments to have proper printing done, and all of you want the Record properly printed.

The distribution of this fund last year amounted to \$2,500,000 for the printing of the congressional proceedings proper, including the hearings and all that kind of thing.

You and I have been importuned, and I am holding down the printing of the hearings and the printing of a great many other things, and it is very disagreeable for me to do it. My colleagues are asking to have charts printed and asking to have duplicates of hearings printed and all that kind of thing, and I have been endeavoring to hold them down. However, this bill proposes to hold down the printing for the Congress, including all its activities, to \$2,000,000, when it has been running \$2,500,000. I am moving to amend that by fixing the amount at \$2,500,000.

Mr. SANDLIN. If the gentleman will permit, this year the cost will be \$3,000,000, and \$1,000,000 more will have to be appropriated to take care of the printing.

Mr. STEVENSON. It will certainly take at least one-half million dollars more.

Mr. McDUFFIE. Does not the gentleman think we can cut out the printing of a lot of documents, such as committee hearings? This will not interfere with the printing of the CONGRESSIONAL RECORD at all, or interfere in any way with printing the proceedings on the floor of the House.

Mr. STEVENSON. If the gentleman were in the position I am, with the calls I have every day to print extra copies of hearings before this committee or that committee, and to put in extra charts and extra illustrations and all that kind of thing, which I hate to refuse my colleagues, but which I am having to do, he would realize that it is very hard to prevent the expenditures for printing of hearings.

Now, what were the items last year? Miscellaneous publications, \$55,000; hearings proper before the committees, \$215,000. This leaves \$2,000,000 for everything else. If you cut out all the hearings, you would not have quite enough money out of this \$2,000,000 to do the printing. When you scan the list that Congress has had printed, in so far as the \$2,500,000 appropriation is concerned, it is the least you can get through with, and you will probably have a deficit at the end of the year then.

Mr. McDUFFIE. Binding is very expensive. Could we not cut some of that out?

Mr. STEVENSON. It may be expensive in some instances, but that is a matter Congress regulates, and it has a right to have the matter it has printed bound according to its desire, whether expensive or not. Now, gentlemen, I am only moving to increase this \$1,000,000, and that cuts off four and a half million dollars. I do not think we will get through with it, but will have a deficit at the end of the year, and I trust that another body will have a whack at it, and they believe in printing and they furnish a lot of it, and we can not help it.

I am only asking for decent consideration for the rights of Congress to have printed and bound what is necessary. I am permitting a cut of one-third when I offer this amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken, and the amendment was agreed to.

Mr. BARBOUR. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Page 19, line 19, strike out sections 308, 309, 310, 311, 312, and 313 down to and including line 8 on page 23.

Mr. BARBOUR. Mr. Chairman, I think I can point out some very good reasons for striking out these provisions of the bill which would discontinue the Army and Navy transports and the Panama Railroad Steamship Line.

I propose to confine myself to the Army Transport Service, though what I say is applicable also to the Navy Transport Service and to the Panama Steamship Line.

The Army Transport Service was established in 1898, at the time of the Spanish-American War. It was established because the private steamship companies could not render adequate service to the Government. Since that time the Army Transport Service has continued to operate efficiently and economically. This provision in the bill will not save money to the Government; it will cost money. If we discontinue the Army and the Navy transport systems and the service of the Panama Steamship Line, it will cost the Government more money than these provisions in the bill will save.

I want to submit for your consideration some figures in relation to the cost of the Army Transport Service for the fiscal year 1931. It cost to operate the sum of \$3,838,583.58. If we add to that 3 per cent for depreciation of equipment and 3.6 for interest on the original cost, we find the total



cost of operation of the Army Transport Service during the fiscal year 1931 to be \$4,868,764.91.

If that same service had been rendered by the commercial lines and the regular commercial rates had been charged for transporting the same passengers and freight, it would have cost the Government \$7,403,797.16, so that the operation of the Army Transport Service really saved the Government \$2,535,032.25 for the fiscal year 1931.

I hold in my hand an estimate of the cost of the voyage of the Army transport *Republic*, which sails to-day from the Army base at Brooklyn to San Francisco by way of the Panama Canal, to Hawaii, Manila, back to San Francisco, through the Panama Canal, and returning to the base at Brooklyn.

These figures have been carefully prepared. They show that the total cost of this round trip of the Army transport *Republic* will be \$300,000. If that same service was purchased from commercial companies and commercial rates were charged, it would cost the Government \$716,155.62. Where, then, is the economy in discontinuing this service that has been rendered so efficiently since the Spanish War in 1898? What can we expect from these companies if we discontinue the Army Transport Service and turn this business over to commercial lines? That question was asked before the subcommittee of the Committee on Appropriations for the War Department when representatives of the commercial steamship lines appeared in support of a similar proposal. They were asked what kind of accommodations would be furnished the enlisted men, and we were told that the men would be carried in the steerage. American soldiers will be sent to the Philippines, to the Orient, and to the Hawaiian Islands in the steerage with people of other nations, people of different races. Why, there would be international complications before the transport reached the Farallon Islands, 20 miles off the Golden Gate. Then here is another consideration. The commercial lines when they leave port and get 12 miles out at sea open their bars.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BARBOUR. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for five minutes. Is there objection?

Mr. STAFFORD. Mr. Chairman, I reserve the right to object.

Mr. McDUFFIE. Mr. Chairman, I do not want to object to the gentleman's request, but will he not extend his remarks?

Mr. BARBOUR. This is the only time that I have spoken on this bill, and I hope it will be the only time until it is passed.

Mr. SNELL. Mr. Chairman, I think the gentleman from Alabama should let the gentleman from California go on for five minutes. He has made a study of the subject, and is the former chairman of the subcommittee of the Committee on Appropriations on Army matters.

Mr. McDUFFIE. Very well.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BARBOUR. Mr. Chairman, when one of these commercial steamships, flying even the American flag, gets 12 miles out at sea, it opens its bar. On the Army and the Navy transports liquor is forbidden, and it is a good rule and a good regulation, when you have several hundred men, most of them enlisted men, on board for a long voyage.

Another consideration to which I direct your attention is that if we put our enlisted men into the steerage of these commercial ships, what will become of the secrecy of our military operations? They will be accessible to the representatives and agents of every foreign country. All kinds of information will be gathered from them as they are sailing on these ships.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. McDUFFIE. Is it not a fact that this is the only big nation in the world that maintains a transport service such as ours?

Mr. BARBOUR. I do not care if it is. Because other nations do not maintain such a service is no reason the United States should not. We do lots of things in this country better than they are done in other countries. I understand that to-day Japan maintains its own transport service. That is the information that I have.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. SCHAFER. On pages 8901 to 8905 of the CONGRESSIONAL RECORD of April 25, 1932, the gentleman will find full and complete statements of the Secretary of War and the Secretary of the Navy opposing the abolition of the Army and Navy transport services, from the standpoint of economy, from the standpoint of national defense, and the morale and best interest of the enlisted men. If our American troops are to be carried down in the hold the way we were carried during the World War by private steamship companies, God help them, and I say that from my own actual experience. I sincerely hope that the gentleman's amendment will be adopted, and that we will continue to maintain the Army and Navy transport services, which are just as essential as an arm of our national defense as the ammunition for the guns.

Mr. BARBOUR. Mr. Chairman, in line with the statement just made by the gentleman from Wisconsin, this is no new proposition. At various times in the history of these transport services, this raid has been made on the service by the commercial steamship companies. It was made back in 1920, when Newton D. Baker was Secretary of War and Woodrow Wilson was President of the United States.

I have here a carbon copy of a report that was submitted by Secretary Baker to President Wilson when this question was then raised. I shall not take the time to read the whole report, but I will give you a few of Secretary Baker's conclusions. He found against the discontinuance of the transport service, because he said that transportation is an essential part of military movement; that our ships are highly specialized for the carrying of troops and supplies and that commercial ships are not; that commercial ships are not adapted to rendering this essentially military service; that sound military policy requires complete control of military movements. He further found that the ships are economically operated, and he recommended to President Wilson that the transport service be not discontinued. On May 15, 1920, President Wilson wrote to Secretary Baker acknowledging receipt of the report and saying "the judgment expressed in your letter is my own judgment." The matter also came up when William Howard Taft was Secretary of War, and he reported adversely upon it. It is an old question that is brought up every so often when the commercial steamship companies raid the Army and Navy transport service in order to get control of that little business, which is a special business and a special service that these ships render.

We have been generous to the American merchant marine. The Congress has passed laws that are indeed liberal to the American merchant marine. We grant them liberal loans for the building of new ships and make very liberal subsidies for the carrying of the mails. We may grant them more, if necessary, to properly maintain and operate an American merchant marine, but this Congress should say to the commercial steamship companies of this country that they must keep their hands off the Army and the Navy and our national defense.

Mr. DELANEY. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. DELANEY. Is it not a fact that the adoption of the gentleman's amendment will mean an economy to the Government of about \$2,000,000?

Mr. BARBOUR. Yes; if we adopt the amendment. There is no excuse for this provision in the bill, in the name of economy.



Mr. DELANEY. As the gentleman said a little while ago, this is the only country which maintains an Army transport service. Is it not true of the prohibition situation, that this is the only country which maintains a prohibition service?

Mr. BARBOUR. As far as I know, I think that question answers itself.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FREE. Mr. Chairman, I rise in opposition to the amendment.

Unfortunately the gentleman from California [Mr. BARBOUR] has included in his motion to strike out several paragraphs in this bill. I wish to address myself to the paragraph 312 in regard to the Panama Railroad Steamship Line. If this Congress desires to really save money and do away with something that is obnoxious, it will pass favorably upon this section 312.

The Panama Railroad Steamship Line was organized originally to carry supplies to the canal. When the canal was completed, it continued in operation and began operating in opposition to private lines carrying private business. It even extended its lines down to Central and South America; and when this was stopped, it did the un-American thing of contracting for the carrying of freight to Central and South America and carried this freight as far as the canal in its own vessels and entered into contracts with foreign lines to carry the freight on beyond. Here we have a Government line entering into contracts with foreign lines that compete with American lines in the transportation of goods to Central and South America. If you will do away with this service, you will get the same service and you will save \$360,000 a year.

The total business of this line in 1931 was \$1,870,000. Of that amount \$1,263,000 was purely private business. The total business for the Panama Canal Commission, including the carrying of employees, was \$384,911 or about one-fifth of its total business. The total freight carried was 163,000 tons, and only 27,000 of that was for the canal.

It admits for 1931 a loss of \$244,000, but for freight carried for the Panama Canal Commission they placed a charge of \$8 a ton, whereas private companies will haul that for \$5.70 a ton. So they credit themselves with \$8 a ton for the freight they carry to the canal. They must charge the Government for their services what the private lines would charge, so they charge \$5.70 on that, and then they charge for commercial freight at the rate of \$7.50 per ton. The private concerns will do all of this for \$5.70 a ton. Private lines will handle the freight that is carried for the Panama Canal Commission at a saving of \$74,000 a year.

Another vicious thing about it is that this line receives from the Government for carrying mail, \$42,273, when, as a matter of fact, we are already paying subsidies to lines that cover the same routes, and whose boats go without mail, in order that this line can get \$42,000 a year to try to make up the deficit that exists in the operation of their line.

The losses to the Government are as follows: There is an admitted loss which they put on their books of \$244,000 a year. There is a loss of \$74,000 in carrying the freight of the Panama Canal Commission, for which it charges \$8 a ton, whereas private companies charge \$5.70 a ton. Then we have absolutely thrown away \$42,000 in carrying the mails, which other lines are ready and willing to carry and are paid to carry.

Mr. SCHAFER. Will the gentleman yield?

Mr. FREE. No; I can not yield.

The claim will be made that this line is conducted for the employees and that they get low rates. They do, and there is a little pap handed out to Members of Congress, free transportation, because those people are politically minded, but I do not believe any Member will vote on this matter because he gets a free trip to Panama. If the Government allowed \$30 to each employee, each way, to private companies, the Government would save \$210,000 a year in transportation. The Panama Canal employees receive al-

ready, in addition to their pay, 25 per cent additional. To illustrate what that means, an employee with a salary of \$2,000 receives \$400 additional a year, and then it is argued that this line should be maintained to give them cheaper transportation back to the States every two years. One-half the revenues of the Panama Canal is paid by American shipping, and this money is used to pay losses to a competing Government line run on an un-American basis, which assists foreign shipping lines instead of aiding American-owned lines.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CONNERY. Mr. Chairman, I offer an amendment to the Barbour amendment, to strike out section 308.

Mr. Chairman, I am against the entire Barbour amendment. I believe in leaving these committee provisions in the bill. I have heard talk about national defense, and I heard my distinguished colleague, the gentleman from Wisconsin [Mr. SCHAFER], tell about when he went to France. We did not go to France on transports. They did not have them available. We went over on fruit steamers and we were down in the hold and the gentleman from Wisconsin knows—he was a private, as I was—that if we went over on transports we would still have been in the hold.

Mr. SCHAFER. I went on the *Orduna* in July, 1917. This boat was a passenger steamship, and I would not send my dog over in the steerage where we were quartered.

Mr. CONNERY. But the gentleman was down near the water.

Mr. SCHAFER. Well, I guess below the water line, and Uncle Sam paid the regular passenger rates, and the men were herded, quartered, and fed like dogs. If the gentleman wants this kind of treatment for the soldiers, sailors, and marines he can have it. I do not want it.

Mr. CONNERY. In a transport the officer would be up on deck in his stateroom and the men would be down in the hold just the same.

Mr. SCHAFER. Far better to be in the hold of a transport with decent quarters, conditions, and rations than in the hold of one of the private steamship lines mingling, sleeping, and eating with the peoples of Asiatic countries.

Mr. CONNERY. There is no choice between those kinds of holds. They are all the same. [Laughter.] The only time we use these transports is in time of peace. The transports are supposed to be used in time of war to transport troops to the battle front. They did not use these transports in time of war. They used the privately owned vessels.

Now, I am in favor of the merchant marine. I am in favor of doing anything which will build it up and follow the example of England and the other nations which have their merchant marine ready to convert into transports when needed, to carry troops wherever and whenever they want to carry them.

I believe we should have a merchant marine and then in time of war turn the ships into a transport system and turn them over for the use of the Army and Navy.

This is one proposition on which I am in favor of the proposal of the Economy Committee. I am also going to be in favor of consolidation of the Army and the Navy and stopping this jealousy between admirals and generals, and let one man run the war when war comes along, so that the private and the gob will not have to go out and be killed while some general or some admiral is trying to find out whether the Navy should go out or whether the Army should go out. I am going to favor that consolidation. I believe it will save \$100,000,000. That is real economy from my point of view.

[Here the gavel fell.]

Mr. JAMES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it so happened on yesterday that the Quartermaster Corps opened bids for the Army Transport Service next year. One of the companies that bid was a certain fruit company. In their bid they stated that all their steamers were under foreign flags except one tanker.



If the amendment of the gentleman from California [Mr. BARBOUR] is not adopted, so far as the Army is concerned, it will be necessary to increase the Army appropriation for the next year \$3,000,000. For instance, the lowest bid received to transport a trooper from San Francisco to Honolulu is \$65. The cost by Army transport is \$15. From San Francisco to China the lowest commercial rate to the Army is \$105. The cost by Army transport is \$35. The commercial rate to the Army from New York to Panama is \$45; the Army transport rate is \$14. From New York to San Francisco the commercial rate to the Army is \$75; the rate by Army transport is \$40. From San Francisco to Honolulu the commercial rate to the Army is \$65 as against a cost by Army transport of \$15.

In other words, gentlemen, by adopting the Barbour amendment we can save \$3,000,000. Not only that, but the hospital facilities on the Army transports are far better than they are on commercial boats. For instance, on the *Chateau-Thierry*, on which many of you have been, there is a 30-bed hospital, including mental ward, 10 bunks; isolation ward, 4 beds. It has an operating room with all modern equipment, a dispensary stocked with medicines, one Army surgeon, and five hospital attendants. The hospital is located on the boat deck, with deck space available for convalescent patients.

On commercial boats the hospital facilities usually consist of four beds with no provision at all for restraining mental patients, with one doctor and no hospital attendants; and all these men would be down in the steerage. I beg of you gentlemen to support the Barbour amendment.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. JAMES. I yield.

Mr. HILL of Alabama. The bill provides that the Secretary of War shall dispose of all property in addition to the ships used in connection with the transport service. Can the gentleman give us an idea of some of the other property that would be disposed of?

Mr. JAMES. That would mean that in the ports of New York and San Francisco the docks and piers that should serve the Government in case of war for the transport service would be turned over to somebody else.

Mr. HILL of Alabama. Yes; it would mean, among other things, depots that cost \$72,405,480.10, and the whole matter should be stricken out.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. JAMES. I yield.

Mr. LaGUARDIA. That is the very purpose, I will say to the gentleman, of this whole provision in this bill.

Mr. McDUFFIE. The gentleman is not quoting the bill correctly. We have amended that provision in the bill.

Mr. LaGUARDIA. I am absolving the gentleman from Alabama of having anything to do with this, but I am saying to the gentleman from Michigan that this whole thing was started by a bunch of rats in New York who want to sell these piers, and somebody fell for it, and this amendment is here. Does the gentleman from California know anything about that?

Mr. FREE. What?

Mr. LaGUARDIA. You heard me.

Mr. LEA. Will the gentleman yield?

Mr. JAMES. I yield.

Mr. LEA. What would happen if these millions of dollars' worth of ships and piers in the possession of the War Department were thrown on the market at this time?

Mr. JAMES. We could not get any market for them at this time.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CLANCY. Mr. Chairman, I have an amendment on the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CLANCY: Page 20, line 6, after the word "continuance," insert "The term 'property' as used in this

section shall not be considered to include the docks, piers, warehouses, wharves, and terminal equipment and other rights transferred to the Shipping Board by the President under authority of section 17 of the merchant marine act, 1920."

Mr. CLANCY. Mr. Chairman, first I want to thank the gentleman from Alabama [Mr. McDUFFIE], the chairman of the committee, for the consideration he gave me in eliminating the joker in section 308, which I will not designate as a steal, because I do not want to reflect upon the integrity of any Member of this House; but I do say that if that joker had been inserted by a lobbyist that lobbyist, on a 10 per cent commission, would have received from \$3,000,000 to \$5,000,000 as his fee.

I was the first to reveal this joker to Mr. McDUFFIE and to the War Department.

Col. Frederick H. Payne, Assistant Secretary of War, said that the main purpose of abolishing the Army Transport Service was to give private interests a chance to get these piers at a tremendous bargain and Government sacrifice in New York City, in Boston, in San Francisco, in Manila, and Honolulu. Colonel Payne said Al Capone never planned as big a steal nor a bolder job.

#### INVESTIGATE PRESENT LEASES

There may be something rotten in Denmark now in regard to the lease of these piers, but because of lack of time I can not go fully into that now.

#### AN OMNIBUS GRAB BAG

Gentlemen rise here and cry to high heaven to support this alleged economy bill. They blindly appeal to us as Republicans; they appeal to us as Democrats, and they cry to us as lovers of the flag to support this sacred cow.

What is an omnibus bill? It is nothing but some bad measures and some good measures thrown into a carry-all bill. The only way you can get support for the bad measures is to trade with a Member who wants to put his pet measure in. With regard to this particular economy bill, one member of the committee is interested in a tariff item in the Senate, and if he is promised support for that he consents to other measures in this bill. Another member is interested in a certain plan. If he gets that, he consents to much of the rest of the bill.

There are bad provisions in this bill and good measures. Let us weed out the bad and put through the good provisions.

#### THE JOKER DISCOVERED

I discovered this very vicious joker compelling the sale of piers and terminals, and my point was granted, and I want to compliment the gentleman from Alabama [Mr. McDUFFIE], who will soon offer an amendment to strike out this joker.

I insist, in view of remarks made during this debate, that Mr. McDUFFIE is absolutely honorable and did everything possible to help kill this joker and protect the people's interest by rewriting the section and offering a committee amendment. The gentleman from Alabama said at first he did not think the language of section 308 meant what I charged, but then upon study he admitted it.

The War Department says that the sale of these piers, used in connection with those vessels—which would be thrown on the market at panic prices, at from 5 to 10 per cent of their value—would mean a loss of \$100,000,000; in Brooklyn alone, \$50,000,000.

Mr. BYRNS. The committee had an amendment curing that.

Mr. CLANCY. I just said that.

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman from Tennessee is out of order.

Mr. BYRNS. Mr. Chairman, I insist I am not out of order.

The CHAIRMAN. The Chair overrules the point of order.

#### HISTORY OF PRICELESS PIERS

Mr. CLANCY. The United States Government obtained four piers and the Brooklyn Army base at the time of the World War mainly through condemnation proceedings. I am informed the total cost was about eight millions of dol-



lars, but these piers have become enormously valuable since, and are worth, according to the estimate of the War Department, over fifty millions of dollars.

They occupy a wonderful position in the greatest harbor in the world—New York Harbor. They have deep water, which some of the New York piers have not, and even as gigantic a ship as the *Leviathan* and also the biggest German ships can dock there.

They are not located up the river as many of the New York piers are, but are down the harbor considerably, and thus the tremendous traffic, particularly of the smaller boats and ferries, is avoided and the danger of collision is largely averted.

Moreover, these piers are singularly free of fog. Fog is prevalent in New York Harbor from time to time and causes delays which run into enormous financial losses through the inability to dock boats. Still further, fog is the chief cause of collisions in New York Harbor, which is very disastrous when they occur, because even if they do not cause the destruction of the ship they may cause such damage that the ship will have to go to dry dock and be laid up for a longer or a lesser period and thus prevent sailings. When a ship which is loaded with passengers and freight and is leaving the harbor for its voyage abroad suffers a collision, the result is particularly devastating, as it means a costly unloading of the cargo and passengers and the making of costly new arrangements.

#### PECULIAR GOVERNMENT LEASES

In 1921 the Shipping Board insisted upon getting piers 3 and 4 of the Brooklyn Army base transferred permanently. Piers 3 and 4 were loaned to the United States Shipping Board and they, in turn, leased them to the Atlantic Tidewater Terminals for a rental of 55 per cent of the gross receipts with \$160,000 minimum. The Shipping Board obtains about \$210,000 per year from Piers 3 and 4.

The Atlantic Tidewater Terminals Corporation leases Pier 3 to the Roosevelt, a purely American line, for about \$250,000 to \$300,000, which is my guess. They leased Pier 4 to the Steamship Terminal Operating Co., which is a Jarka interest, and who, in turn, lease it to the North German Lloyd Line for about \$350,000 to \$400,000 per year. Jarka was a former boss of stevedores for German lines in New York Harbor.

If the Shipping Board, which has all the facilities for handling leases, leased directly instead of through these sublessees, the United States Government would probably gain several hundred thousand dollars more per year.

From the above leases it is clear that the Atlantic Tidewater Terminal Corporation is making a large profit which the United States Government might make for itself through its ownership of the piers.

It is also probably that the Jarka company, known as the Steamship Terminal Operating Co., is making a large profit which should rightfully go into the United States Treasury. Why all this system of leases and subleases, when there is a large and capable Government division, known as the United States Shipping Board, which could handle these leases directly instead of peddling them out to persons who probably make a barrel of money out of the arrangement?

#### DEALING WITH FOREIGN LINES

Moreover, the United States Shipping Board was established to aid and develop the American merchant marine and to fight its bitter and unscrupulous competitors in the foreign merchant marine.

I know that the North German Lloyd Steamship Co. enjoys the very highest reputation, and I have never been informed that it indulged in sharp practices in its competition with American ships.

I am a member of the House Merchant Marine, Radio, and Fisheries Committee and know that all our efforts have

been to build up the American merchant marine and gain our own ships as many advantages as possible.

Our committee established a ship-subsidy fund of about \$250,000,000 to help build and maintain and operate American ships on the ocean, and we were very careful to write language in the legislation and guard the fund so that none of it should go into foreign boats or foreign lines or aid in the building of or operation of foreign lines.

Yet here we have at the United States Army base at Brooklyn a system of subleases whereby a foreign line uses our docks and bases. It is true it does so on a lease at a rental which is presumably high. Undoubtedly the foreign line is made to pay to the limit of the pound of flesh; but if the United States Government wishes to make that arrangement with the foreign line, why does it not do so directly, and why does it allow tens of thousands of dollars of that rental to fall into the hands of the Jarka interests and the Atlantic Tidewater Terminal Corporation?

As a member of the House Merchant Marine Committee, I am going to go further into this matter of leases, which has just been tipped off to me within the past few days.

#### RETAIN GOVERNMENT TRANSPORT LINES

I now take the position that we should kill all the provisions of this so-called economy bill which provide for the sale and junking of the Army, Navy, and Panama Transport Services.

From what I have said already, it is evident that there is enough indication of sharp practice and scandal to suspect the whole proposed destruction of the Army, Navy, and Panama Railroad transport services.

Proposals of abolishing these Government maritime services have been made time and again within the past 10 years.

They have been rejected by three Secretaries of War, three committees of Congress, by the chief coordinator, and by former President Coolidge.

These emphatic actions of honest and intelligent high officials of the Government should make us proceed very slowly to junk or sell these services now.

Only a few months ago we had to use transports to send troops to China. We have to use them very frequently to send troops to the Latin American countries when rebellions break out. We may have to use transports within a few weeks after they are sold or junked under this so-called economy bill.

It may be that the Panama Railroad transport service does compete with private industry, but that is true only to a slight extent.

I believe that the Army and Navy transport services do not compete seriously with private business and that they are engaged practically entirely in Federal Government business.

Therefore, I will vote for the Barbour amendment to strike out sections 308 to 313, inclusively, and this striking out will preserve the Army, Navy, and Panama Railroad transport services.

If the time has come to change our minds and abolish one or more of these services, then we should proceed through the regular congressional committees of the House covering these activities. We should hold hearings pro and con and arrive at a just and intelligent and economical and patriotic conclusion.

We can not arrive at such a conclusion in the terrific rush and hustle and bustle of consideration of this omnibus economy bill, which was made by logrolling and by trading good and bad measures.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent that that part of the section of the bill be read, the amendment on the Clerk's desk which the committee intends to ask be inserted in the bill.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that the committee amendment affecting



this particular matter may be read by the Clerk for information. Is there objection?

There was no objection.

The Clerk read as follows:

Page 23, section 313:

Under sections 308 and 309, neither the Secretary of War nor the Secretary of the Navy shall sell or otherwise dispose of docks, yards, wharves, depots, terminals, or real estate in connection therewith, except that either may lease such properties for periods of not to exceed five years and at rentals which will provide a reasonable return on the cost thereof. The net proceeds from the sale or lease of property by the Secretary of War and the Secretary of the Navy under sections 308, 309, and this section shall be covered into the Treasury as miscellaneous receipts.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. Wood].

Mr. WOOD of Indiana. Mr. Chairman, the amendment that has just been read should completely satisfy the gentleman from Michigan and other Members with reference to the desire of the committee to protect the property of the United States. There is no desire upon the part of this committee to make any sacrifice by reason of doing away with the Transport Service, but I want to tell you why it should be done away with. We never had a transport service in this country until the Spanish-American War. We are the only country on the face of the earth that has one. It did not amount to a damn during the late war. There was but one vessel belonging to the Transport Service that went overseas, and it never came back. The transport service of every government is a part of the merchant marine, and we are derelict now because of the fact that we have not the character of transport service which we should have, and we should be building up our merchant marine so that we could have a proper transport service.

Remember that we are the only Nation on earth that has a transport service except the transport service that is given by reason of the fact of the merchant marine. That is true of England, France, and every first-class power on the face of the earth, and General MARTIN knows that.

Mr. MARTIN of Oregon. Will the gentleman permit a statement?

Mr. WOOD of Indiana. Yes.

Mr. MARTIN of Oregon. We are the only Nation, too, that has prohibition, are we not?

Mr. WOOD of Indiana. Oh, yes; but that is aside from this question. The merchant marine of this country is being subsidized by the Government for the purpose of building up something that is worth while, yet we are putting the Government of the United States in competition with the merchant marine.

Mr. SCHAFER. Will the gentleman yield for a brief question?

Mr. WOOD of Indiana. Yes.

Mr. SCHAFER. The gentleman used as a premise for abolishing the Army and Navy Transport Service the fact that we are the only Nation of the world that has that service. If we are going to follow the gentleman's same line of reasoning, since we are the only Nation in the world that has prohibition, does the gentleman say we should abolish prohibition?

Mr. WOOD of Indiana. Let us talk about the question that is before us. However, the gentleman from Wisconsin said he was put down in the hold. He was put down in the hold because of the fact, if it were a fact, that we did not have a merchant marine then. We did not have any, and it was to the shame of this Nation.

I want to say to you that the Army is trying to insist upon keeping this thing going in spite of the fact that they are losing more than \$3,000,000 a year, and in doing that we are competing with merchant marine vessels of this country, which we are subsidizing. We are paying out money on the one hand to the merchant marine of this country and then putting Government vessels in competition with them.

I will tell you what ought to be done. We ought to have a merchant marine in this country that would be prepared,

in case of war, to take care of our soldiers as they should be, and will be, if you will do away with this transport system.

In case of war the Army would not have the transport business for one single minute. It would go to the Navy, and the Navy is in favor of doing away with this system now. They know they can not keep up a transport service that is worthy of the name. Of the 13 transports we had during the war, only one went over and that was loaded with marines. They thought if anybody was going to get lost, lose the marines. The transport never came back. They made a nice refrigerating arrangement out of it.

True to form, the Army, after it gets hold of a thing, never wants to give it up, and they have the temerity to say to us that they can operate this business cheaper than private companies. They also tell us they have a manufacturing establishment in Philadelphia making clothes, and they say they can make clothes cheaper than the commercial people can do it. They have never surrendered a single thing and never will if they can help it.

[Here the gavel fell.]

Mr. SWING. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one-half minute so I may ask a question.

Mr. DYER. I object, Mr. Chairman.

I make the point of order, Mr. Chairman, that all debate on the amendment has been exhausted.

The CHAIRMAN. The point of order is well taken.

The question is on the amendment of the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, I ask unanimous consent to withdraw my amendment because it is covered by the McDuffie amendment.

Mr. DYER. Is the McDuffie amendment pending?

Mr. McDUFFIE. The McDuffie amendment was read as a part of the bill.

Mr. SCHAFER. I object, Mr. Chairman.

The CHAIRMAN. The question is on the amendment of the gentleman from Michigan.

The amendment was rejected.

Mr. TABER. Mr. Chairman, I offer an amendment.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent to proceed for one minute.

Mr. SCHAFER. Mr. Chairman, reserving the right to object, the gentleman gags every other Member of the House on this important matter and I shall have to gag him. I object, Mr. Chairman.

Mr. McDUFFIE. Then, Mr. Chairman, I offer the committee amendment which has been read, if the gentleman will yield.

Mr. TABER. I yield for that purpose, Mr. Chairman.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 23, strike out section 313 and insert in lieu thereof the following:

"SEC. 313. Under sections 308 and 309 neither the Secretary of War nor the Secretary of the Navy shall sell or otherwise dispose of docks, yards, wharves, depots, terminals, or real estate in connection therewith, except that either may lease such properties for periods of not to exceed five years and at rentals which will provide a reasonable return on the cost thereof. The net proceeds from the sale or lease of property by the Secretary of War and the Secretary of the Navy under sections 308, 309, and this section shall be covered into the Treasury as miscellaneous receipts.

Mr. RAMSEYER and Mr. LaGUARDIA rose.

Mr. RAMSEYER. Mr. Chairman, I make the point of order that this language is in the amendment, word for word, as it was offered the other day.

Mr. McDUFFIE. It was a part of the bill.

Mr. RAMSEYER. It is a part of the amendment and it so appears in the Record, word for word.

Mr. McDUFFIE. I agree with the gentleman, but some gentleman here thought it was not a part of the bill.

Mr. RAMSEYER. The bill is not the amendment. The amendment is the language which the gentleman offered the other day.



Mr. McDUFFIE. Yes.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield so that I may submit a parliamentary inquiry?

Mr. RAMSEYER. I yield.

Mr. STAFFORD. Will the Chair inform the committee whether we are considering the bill as printed and known as H. R. 11597, or the bill that was submitted by the gentleman from Alabama [Mr. McDUFFIE] for consideration?

The CHAIRMAN. We are considering the amendment offered by the gentleman from Alabama on behalf of the Economy Committee. There are some differences between it and the printed bill to which the gentleman has referred.

The Chair sustains the point of order made by the gentleman from Iowa [Mr. RAMSEYER].

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. Do I understand we are considering a bill which is on the desk which contains something that is not in the copies of the bill that the Members have?

The CHAIRMAN. That is the understanding of the Chair.

Mr. RAMSEYER. So far as these particular provisions are concerned, that is true.

The CHAIRMAN. The Chair will state to the gentleman from New York that the full text of the bill we are now considering as offered by the committee was printed in full in the RECORD upon the day it was offered. The Chair is further informed that there are some minor differences between that and the original bill that was reported by the committee.

Mr. LAGUARDIA. Mr. Chairman, I have a perfecting amendment to offer to this part of the bill just referred to by the gentleman from Alabama.

The CHAIRMAN. The Chair has recognized the gentleman from New York [Mr. TABER] to offer an amendment.

Mr. BRIGGS. Will the gentleman from New York yield so that I may submit a parliamentary inquiry?

Mr. TABER. I yield, if it does not come out of my time.

The CHAIRMAN. It will come out of the gentleman's time.

Mr. TABER. Then, Mr. Chairman, I must decline to yield.

The CHAIRMAN. The gentleman from New York [Mr. TABER] offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 22, line 21, after the word "cost," strike out the period, insert a comma, and add the following: "said contracts to continue over a period of at least 10 years"; on page 22, line 25, strike out the figure "25" and insert in lieu thereof the figure "65"; and after the word "the" insert the word "now."

Mr. TABER. Mr. Chairman, I am not in favor of putting the Government in business, but there are some major activities, such as the Post Office, the Panama Canal, the Army and the Navy, that the Government alone is in a position to carry on.

It was found necessary when the Panama Canal was built that we should take over and operate steamships to carry the men to their work and back to this country, and also the materials that were used in the canal.

The Panama Railroad was taken over by the Government of the United States at the time the canal was built. This operation of the steamships is used primarily for carrying material and supplies down to the canal and carrying the employees to the canal, and the Panama Railroad, and back and forth, at a rate approximately of \$30 each way for each employee and members of their families, and freight at 75 per cent of the published tariffs.

If they were required to pay more than that most of them on the wages they receive could not afford to make the trip, and could not keep in shape.

In this bill it is proposed that these employees who now go back and forth in decent quarters, travel in the steerage

at rates which are more than double and in some cases more than treble what they are now paying.

It provides in the bill that in the first place they shall get 25 per cent less than the published rate, but it does not say "now published rates." So I have offered an amendment which will make it "now published rates."

I have offered an amendment that if this language goes into effect, the rate for passengers shall be 65 per cent below the published rate, because that is what they are now getting from the Panama Railroad.

The Panama Railroad in normal times is operated without a loss of any kind. In 1928 and 1929 it showed a profit. We are able to operate it at a profit in normal times. There was a loss of \$245,000 in 1931, when everybody suffered a loss.

The Government is paying mail subsidies of seven and a half million dollars in 1932 and \$9,000,000 for 1933 for ships operating to the Canal Zone. The Panama Railroad does not carry any first-class mail.

These subsidy vessels would not take second and third class mail, but load their junk on the Panama Railroad Co. steamships.

Mr. LEA. Will the gentleman yield?

Mr. TABER. I yield.

Mr. LEA. Three thousand employees annually go back and forth from the United States to the Isthmus.

Mr. TABER. Three thousand nine hundred.

[Here the gavel fell.]

Mr. SCHAFER. Mr. Chairman, a parliamentary inquiry: A few moments ago the membership of the House were advised that we were considering the economy bill effecting a consolidation, and then we were advised that a certain provision did not appear in the bill but was printed in the CONGRESSIONAL RECORD. I rise to ascertain when we may expect a consolidation of the two bills?

The CHAIRMAN (Mr. BANKHEAD). That is not a parliamentary inquiry.

Mr. DYER. Mr. Chairman, I move that at 2 o'clock and 30 minutes p. m. all debate on this section and all amendments thereto be closed.

The CHAIRMAN. The gentleman from Missouri moves that all debate on this section—

Mr. DYER. Mr. Chairman, I withdraw my motion.

Mr. CLANCY. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CLANCY. The chairman of the subcommittee, Mr. McDUFFIE, and a member of the committee, Mr. RAMSEYER, say that the McDuffie amendment was incorporated in the bill as printed. That is not the fact. I am informed by the Clerk that it is due to an error of the Government Printing Office. It does not appear in the bill, and I want to preserve the McDuffie amendment.

The CHAIRMAN. The Chair overrules the point of order. The gentleman from Indiana is recognized for five minutes.

Mr. WOOD of Indiana. Mr. Chairman, I say again, as I said before, that if there is anything that should be in this bill that is not in it to protect the Government, I want it put there. In reply to the gentleman from New York [Mr. TABER] as to whether the Government is operating these transports at a profit, every figure offered by their own department shows that they are operating at a loss. I will show you how they show a profit. It is like a father who buys a farm for his son, paying for the farm, paying for all of the necessary equipment to run it, and then expecting the boy to show a profit at the end of the year without paying for anything connected with the conduct of the farm. Let me impress this thing upon your minds. A great deal of talk has been had, and will be had before we get through, I expect, to the effect that it will cost more by private concerns to bring the men and women who are working down there up to the United States. They come from there to the United States upon the theory that because of the cli-



mate they must come back here at least once every two years.

Under the bill the commercial establishments must furnish a rate 25 per cent lower than they furnish to the ordinary public, and in addition to that we are paying these people who are down there at the present time 25 per cent more than we will be paying them here for doing the same kind of work, upon the theory that we are expecting them to come back here every two years. That is to say, suppose a person in this country is getting \$1,200 a year for a certain service. Down there he will be getting \$1,600 for the same service. The additional \$400 is to make it possible for him to come back here and pay whatever it may cost him to get back.

Mr. PARKER of New York. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. PARKER of New York. The theory of the \$400 extra pay on a \$1,200 service is not to bring them back, but the theory is that they are down there from a Temperate Zone in a Tropical Zone where their health is impaired.

Mr. WOOD of Indiana. If the gentleman will read the debates at the time, he will find that the reason for the additional 25 per cent is because the man who is down there is expected to come back here, and it was given him for that purpose. There is nothing of the kind mentioned by the gentleman from New York. We have been talking long and loud about getting your Government out of business, and yet we are keeping it in business all of the while. Each one of these transports is competing with commercial business, which we have been trying to build up by the establishment of an American merchant marine.

Mr. HART. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. HART. Does not the gentleman think that we ought to get out of the cotton and the grain business also?

Mr. WOOD of Indiana. I expect so; but we have this thing before us now, and let us get out of one thing at a time. I will go with the gentleman on that proposition, but because we are not out of that cotton and grain business is no reason why we should not get out of this.

Mr. SWING. What I am concerned about is in time of a national crisis, such as happened at Shanghai, how would we function under this bill about getting our troops from Manila to Shanghai in a hurry?

Mr. WOOD of Indiana. Fortunately for the United States Government, a transport was there at that time. If it had not been there, one of the Dollar Lines would have taken the soldiers the next day.

The CHAIRMAN. The time of the gentleman from Indiana has expired. All time has expired. The question is on the Taber amendment.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 65, noes 30.

Mr. McDUFFIE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. McDUFFIE and Mr. TABER to act as tellers.

The committee again divided; and the tellers reported—ayes 123, noes 59.

So the amendment was agreed to.

Mr. LA GUARDIA. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LA GUARDIA: Section 313, after the word "lease," insert "at public auction to the highest bidder," and at the end of the section insert, "Provided, That there shall be no renewal clause or right in said lease."

Mr. DOUGLAS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. DOUGLAS of Arizona. As far as I am concerned, and I am not prepared to speak authentically for the whole Economy Committee, I think the members of the committee are agreeable to the amendment.

Mr. BRIGGS. Does the gentleman understand that the McDuffie amendment which was presented a little while ago and adopted is now in the bill or is not in the bill?

Mr. LA GUARDIA. Mr. Chairman, the most vicious thing in this bill is now before us. Mr. Chairman, I have used some pretty harsh language, and I do not modify it or take back a single word, but in all fairness I want to say that as soon as the committee discovered that there was danger of something having been put over on them they prepared this amendment, which is now part of the bill, and it is due to the gentleman from Alabama [Mr. McDUFFIE] to say that. But the House ought to know that there has been some pretty slimy lobbying going on.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. LA GUARDIA. Oh, I have absolved the gentleman.

Mr. McDUFFIE. I want the gentleman to absolve the committee.

Mr. LA GUARDIA. I will not absolve any of the lobbying that has been going on.

Mr. McDUFFIE. I do not know anything about that.

Mr. LA GUARDIA. This whole transport elimination was inspired by some shipping interests in New York City. They were to divide the spoils—one-half the outfit to get the freight and the passenger services to Panama and Hawaii, and the other to take over the leases. There was a slimy lobbyist around the corridors of this building, reeking with liquor, and I know what offices he was in, and that resulted in this provision being put in the bill. If the provision stands, we are protected by the McDuffie amendment, with my amendment to it which simply provides that the property is to be leased at public auction and to the highest bidder, and that we are to have no renewal clause in the lease.

The gentleman must not forget that pier values in New York City run into millions and millions of dollars. The eyes of certain great shipping interests, who are now getting large subsidies from the United States Government, are on that property. They are not satisfied with getting the subsidies, but they want to take this valuable property and they want to get this Government business that the Panama Steamship Co. and the Army and Navy transport services are now operating at a great saving to the taxpayers. The Panama Steamship Co. is economically and efficiently managed, and some of these subsidized political ship companies could learn a great deal from the little Panama Steamship Co.

Mr. SWING. Will the gentleman yield?

Mr. LA GUARDIA. I yield.

Mr. SWING. Why auction off these valuable vessels at a time when there is no market for them and nothing but the lowest possible bid can be received for them?

Mr. LA GUARDIA. We are not going to sell these properties at all. The amendment prevents that. If the sections are not voted out of the bill, the properties could only be leased, and at auction, and only for a short term. Of course, I hope to vote out all sections which would kill these splendid Government services.

Mr. SWING. Absolutely.

Mr. LA GUARDIA. Is my amendment accepted?

Mr. McDUFFIE. As far as I am concerned, there is no objection to the gentleman's amendment, but the gentleman has been pretty severe in his language with reference to this committee.

Mr. LA GUARDIA. Not with reference to the gentleman.

Mr. McDUFFIE. I want the gentleman to straighten himself out. If the gentleman is talking about any slimy lobbyist coming to me, I want to know it, and I want to know it right now.

Mr. LA GUARDIA. I say they were around this building, and I will say I do not think the committee has any knowledge of what was being attempted in this provision of the bill.

Mr. McDUFFIE. And the entire committee corrected it as soon as it was brought to their attention.

Mr. LA GUARDIA. I am giving you credit for it.



Mr. McDUFFIE. And the committee never once thought that it had to do with anything except things other than real estate and depots.

Mr. STAFFORD. I think the gentleman's amendment must be corrected in so far as he proposes to have—

Mr. PARKS. Mr. Chairman, a point of order. I do not think the Members of this House who are running this job ought to go down in the well of the House and talk among themselves without the balance of the House knowing what is going on.

The CHAIRMAN. The point of order is well taken.

Mr. STAFFORD. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. STAFFORD. The gentleman's amendment proposes to insert a provision about public auction after the word "lease." The word "lease" occurs twice in the proposed section. I assume the gentleman refers to where it occurs first?

Mr. LAGUARDIA. Yes.

Mr. STAFFORD. And the amendment is modified accordingly?

Mr. LAGUARDIA. Yes.

Mr. PARKER of New York. Mr. Chairman, I rise in opposition to the amendment.

I am as much opposed to putting the Government in business as anybody in this House; but here is a proposition where the Government is not in competition with anybody. The Government is doing its own business. The fleet of the Panama Canal is just as essential to the operation of the canal as the canal itself. There are over 11,000 men in the Canal Zone. I ask the attention of the gentleman from Indiana [Mr. Wood], who said we were giving them 20 per cent because they wanted to come home. That was not the theory for that additional money. I happened to have been chairman of the committee which authorized that increase. The increase was made on the theory that no man from this climate could go and live in the tropics without coming home at least once in two years to preserve his health.

Mr. MANLOVE. Will the gentleman yield?

Mr. PARKER of New York. No; I can not. It is infinitely worse for the wives of the employees.

We have passed a separate retirement bill for those people, recognizing the fact that men who live in the Temperate Zone can not go to the tropics and perform service there and last as long as they would if they were performing service in the climate in which they were born. Now, if this provision is retained, it will impair the operation of the canal. It may be true, as the gentleman from Indiana said, although I have not the figures, as I did not realize it was coming up to-day, that ships of the Panama Canal are operated at a slight loss. That may be true; but the entire operation must be taken together—the canal, the railroad, and the ships. Aside from the depression in 1930 and 1931, the Panama Canal, taken as a whole, has paid the United States Government a profit.

Mr. LEA. Will the gentleman yield?

Mr. PARKER of New York. I yield.

Mr. LEA. As I understand, the only large deficiency in the Panama Canal was last year, during the extreme depression.

Mr. PARKER of New York. Yes.

Mr. LEA. During the last 10 years the average deficiency has not been over \$60,000; and if the employees paid only about half the fare that is charged by private ships, there would be no deficiency.

Mr. PARKER of New York. But let me impress upon the membership of the House, although I do not presume it will have any effect, that for the last 18 years I have been either chairman of the committee or a member of the subcommittee dealing with the Panama Canal, and this transportation service is just as essential to the operation of the canal as the canal itself.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. PARKER of New York. I yield.

Mr. WILLIAM E. HULL. Is not the real truth of this matter to get ahold of these docks more than anything else?

Mr. PARKER of New York. I am not accusing anybody of anything. I am stating the plain facts regarding the operation of the canal.

Mr. WILLIAM E. HULL. But I am asking the question. Is that not the truth?

Mr. PARKER of New York. That I do not know.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. PARKER of New York. I yield.

Mr. HILL of Alabama. Is it not a fact that for the past several years the Panama Railroad Co. has paid an annual dividend to the United States Treasury of 7 per cent on its capital stock?

Mr. PARKER of New York. That is perfectly true.

Mr. HILL of Alabama. And there have been no appropriations made by Congress for the operation of the railroad, the steamship line, or any of its subsidiaries?

Mr. PARKER of New York. That is correct.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. PARKER of New York. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

Mr. DYER. Mr. Chairman, I object.

Mr. WOOD of Indiana. Mr. Chairman—

Mr. DYER. Mr. Chairman, I move that all debate on sections 308 to 313 close in five minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana.

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman from Indiana has already spoken. They are gagging us. The gentleman has spoken three or four times. They are going to close debate in five minutes, and are going to give the "gaggers" the five minutes under their own motion.

The CHAIRMAN. The point of order is well taken. The gentleman from Indiana has already spoken.

Mr. WOOD of Indiana. Mr. Chairman, I have not spoken on this amendment.

The CHAIRMAN. For what purpose does the gentleman from Indiana rise?

Mr. WOOD of Indiana. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

The CHAIRMAN. The gentleman is recognized for five minutes. The point of order is overruled.

Mr. WOOD of Indiana. Mr. Chairman, my only purpose in speaking now—

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman from New York [Mr. PARKER] has consumed the time in opposition.

The CHAIRMAN. The gentleman from Indiana can be recognized if he makes a motion to strike out the last word.

Mr. WOOD of Indiana. Then that is my motion. I move to strike out the last word.

Mr. Chairman, 52 cities represented in Chicago within two weeks have asked this Congress to take the Government out of business, and the thing they emphasized more largely than anything else was this transport proposition. Every chamber of commerce in every State of the Union that has acted at all upon this question has asked us to do the same thing.

Mr. PARKER of New York. Will the gentleman yield?

Mr. WOOD of Indiana. No; I do not yield.

Are we to be responsive to the will of the people, or are we simply to be subservient to the demands of the Army? I have been here for 18 years, and I am getting pretty tired of seeing the Army hold everything it has.

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman is out of order. The gentleman is not discussing his motion, which was to strike out the last word.



Mr. BLANTON. Mr. Chairman, "Army" is the last word. Therefore the gentleman is in order.

Mr. SCHAFER. I would like to have a ruling from the Chair.

The CHAIRMAN. What is the gentleman's point of order?

Mr. SCHAFER. The gentleman from Indiana is out of order. He is not discussing the motion under which he so adroitly obtained recognition for about the third time he has spoken on this section. His motion was to strike out the last word. The last word is "receipts." The gentleman is certainly speaking out of order.

The CHAIRMAN. The gentleman from Indiana will proceed in order.

Mr. WOOD of Indiana. Then I am glad to proceed in order.

Mr. BLANTON. Will the gentleman from Indiana yield?

Mr. WOOD of Indiana. For just a question.

Mr. BLANTON. As the head of his party, can he not control one of his obstreperous Members over there?

Mr. WOOD of Indiana. I admit that I can not control him. If you can, exercise your ability. [Laughter and applause.]

Mr. PARKER of New York. Will the gentleman yield?

Mr. WOOD of Indiana. No; I can not yield.

Gentlemen, this Committee on Economy has spent eight weeks trying to save some money to the Government of the United States, and incidentally, trying to benefit the Government of the United States or those who make up the taxpayers of this country. The taxpayers of this country are asking you to take the Government out of this business, and we are the only government on the face of the earth that is in it.

Mr. HART. Will the gentleman yield for a question?

Mr. WOOD of Indiana. Yes.

Mr. HART. What about the Mississippi-Warrior service?

Mr. WOOD of Indiana. It is just as bad as this, and the Government ought to be taken out of it.

It is said that the Government is making a profit, but that is by reason of the fact it does not count anything for capital investment, anything for wear and tear, anything for depreciation, anything for interest, anything for insurance; and that is what we are paying to-day to this transport service, in violation, if you, please, of every business principle on earth.

So there is no justification for keeping it, and, as I said before, we are the only nation that is keeping a transport service, and we are doing it in detriment, if you please, to the Army itself and to the Navy itself.

Mr. SCHAFER. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SCHAFER. If the abolishment of the Army and Navy transport system is so essentially necessary, why does the Secretary of the Navy and the Secretary of War strongly oppose its abolition from the economy standpoint, from the national-defense standpoint, and from the standpoint of service to the red-blooded American enlisted men in their establishments?

Mr. WOOD of Indiana. I did not yield for a speech from the gentleman on the other side.

If you will examine the facts, this committee spent days and days in going into this thing, and the evidence shows that we are losing from one million to two and a half million dollars a year in the operation of this business in addition to having this concern in competition with the merchant marine of the United States.

The CHAIRMAN. All debate is exhausted.

Mr. DAVIS rose.

The CHAIRMAN. For what purpose does the gentleman from Tennessee rise?

Mr. DAVIS. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DAVIS. Mr. Chairman, I had not expected to say anything upon this question, although I am very much interested.

I am very strongly in favor of economy. Governmental expenditures must be drastically reduced. I am in favor of going much farther in many respects in effecting reductions in Government expenditures than this bill goes, although I wish to commend the Economy Committee for the arduous and splendid work it has done in many particulars.

However, the purpose and intention of this committee was to effect economies and not to act as a legislative committee otherwise. I object to some provisions that have been drafted into this bill, which are not in the interest of economy and which will not effect any savings but are purely legislative proposals, which certain interested parties have been seeking for years and years to get through, but which could not be enacted when presented before the committees and the Congress upon their merits. [Applause.]

The proposal to dispose of these Army and Navy transport services and to permit private ship lines to perform this service for the Government comes within that class. [Applause.] As already stated, lobbyists of certain shipping interests have been here industriously working in behalf of such legislation all this session.

They are not for the proposal from any standpoint of economy, but in order that private shipping lines may make a big profit off the Government in transporting the troops and supplies for the Government.

I want to say to you, in the light of 12 or 13 years' study of the subject from time to time, that the proposal to abolish the Army and Navy transport services is neither in the interest of economy nor efficiency, but just the reverse. Instead of effecting economy, in my opinion it would cost the Government \$2,000,000 or \$3,000,000 annually.

This is no new proposal. During the Taft administration private shipping interests attempted to have the Army and Navy transport services abolished, but President Taft and his Secretary of War recommended against it. Then, during the Wilson administration, the private shipping interests renewed their efforts, and President Wilson requested Secretary of War Newton D. Baker to investigate the subject, which he did and strongly recommended against the abolishment of the services, and President Wilson concurred in his conclusions.

I am advised that the Military Affairs and the Naval Affairs Committees have likewise investigated the subject and reached the same conclusion.

The Committee on Merchant Marine, Radio, and Fisheries has had before it bills to abolish these services; this committee has conducted exhaustive hearings, heard everybody on both sides desiring to be heard, and in every instance since I have been a member of that committee, after the hearings before that committee, even the sponsor of the bills was not bold enough to ask that the bills be reported out of the committee. They just died of their own weight. The committee always reached the conclusion that it would not only make for inefficiency but would cost the Government a large amount to abolish these services and pay private lines for the transportation of our troops, supplies, and munitions to and from our various possessions.

I am not in favor of the Government engaging in business in competition with private business where it can be avoided. My position upon that is well known to you colleagues who have been sufficiently interested to note my position; but the Army and Navy transports do not engage in private business, and I want to say to you that the transport service is just as essential to our Army and Navy as are the war vessels. [Applause.]

During the last war there was infinitely more need for transports, and they were infinitely more valuable, than were the war vessels and rendered much greater service.

Mr. WOOD of Indiana. Will the gentleman yield?



Mr. DAVIS. I yield.

Mr. WOOD of Indiana. The facts are that in the last war we had but one transport of the Army that went across the ocean and it never came back.

Mr. DAVIS. The gentleman from Indiana has made several speeches and he and I do not agree upon the facts, much less upon our conclusions. [Applause.]

Mr. McDUFFIE. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. McDUFFIE. The information we have is that we had only one transport in the last war, that it went across the ocean and never came back. We also have information to the effect that we could not carry our soldiers on transports.

Mr. DAVIS. And what did we do? We had to go into the open market and pay five or ten times the value of the vessels in order to use them as transports. [Applause.]

It is true that we had but a few small transports when we became involved in the World War. The need of additional transports was so imperative for the transportation of our troops, munitions, and supplies that we had to quickly purchase and charter ships at exorbitant war prices.

During the World War, we paid out over \$200,000,000 in charter hire of ships alone. We engaged in the most prodigious shipbuilding program in the history of the world. This program cost upwards of \$4,000,000,000. We put into service 2,500 vessels.

That experience is all the more evidence why we should not dispose of the few Army and Navy transports we now have, which are no more than are needed in peace times, and which would certainly afford a nucleus if we should become involved in another war.

[Here the gavel fell.]

Mr. Chairman, under leave granted to extend my remarks, I wish to call attention to the fact that the largest proportionate savings provided in the pending economy bill are those relating to the United States Shipping Board and Merchant Fleet Corporation, which specifically effect a saving for the next fiscal year of more than a third of the present expenses of these organizations and ship operations. As stated in the bill, this is represented by a reduction of \$367,000 in salaries of personnel and in the reduction of the cost of the expenses of operation of Shipping Board services of \$1,938,240, making a total of \$2,305,240. The bill reduces by \$367,000 the amount already carried in the independent offices appropriation bill for personnel for the next fiscal year, and provides for the transfer from the operating funds of the Fleet Corporation to the General Treasury the sum of \$1,938,240.

The bill further provides for the reduction of the members of the Shipping Board from seven to four and the reduction of their salaries from \$12,000 to \$10,000, and further provides that no official or employee of either the Shipping Board or Fleet Corporation shall receive a salary in excess of \$10,000.

As chairman of the Committee on Merchant Marine, Radio, and Fisheries, I called into conference the chairman of the Shipping Board and the president of the Merchant Fleet Corporation and explained to them that the financial situation was such that drastic economies should be effected in their organizations, and that they knew best where such economies could be effected with the least injury to the public service.

These officials agreed to cooperate and upon my request prepared and submitted to me specific details as to where and how such economies could be effected. Thereupon I called the Committee on Merchant Marine, Radio, and Fisheries into session and invited the entire membership of the Shipping Board and the officials of the Merchant Fleet Corporation to be present. I laid the plans before the meeting, and they were readily approved by the committee. The members of the Shipping Board and the president of the Fleet Corporation were called upon individually, and they all approved the plans. The members of the Shipping Board also agreed to and did adopt a formal resolution approving the plans and agreeing to carry them into effect.

Then we laid the plans before the Economy Committee, which readily approved the same, and the chairman of the Economy Committee requested me to draft the appropriate provisions, which was done under the direction of the gentleman from Virginia [Mr. BLAND] the gentleman from Texas [Mr. BRIGGS], and myself, all members of the Committee on Merchant Marine, Radio, and Fisheries. Such provisions were incorporated in the economy bill as drafted and as heretofore explained and have been adopted by the House without any change whatever.

I here insert two letters received by me from the chairman of the Shipping Board, explaining these reductions and economies, and advising of the formal approval thereof by the Shipping Board.

UNITED STATES SHIPPING BOARD,  
Washington, April 16, 1932.

HON. EWIN L. DAVIS,  
Chairman Committee on  
Merchant Marine, Radio, and Fisheries,  
House of Representatives, Washington, D. C.

DEAR CHAIRMAN DAVIS: In accordance with understanding had between the board and your committee at conference yesterday, there is transmitted herewith statement of economies which have been authorized and are now in process of accomplishment by the Merchant Fleet Corporation indicating total savings of \$1,938,240, together with supporting data, as requested by the committee.

In addition to the above the Shipping Board can effect the following economies in connection with personnel of the Fleet Corporation assigned to the board, as follows:

Bureau of Research.....	\$30,000
Bureau of Law.....	103,000
Bureau of Traffic.....	9,000
Bureau of Construction.....	5,000
Bureau of Operations.....	20,000
	167,000
Engineering experiment-research fund.....	200,000

Total savings on behalf of Shipping Board..... 367,000

The grand total of indicated savings which can be effected between the Fleet Corporation and the Shipping Board is \$2,305,240.

This represents the amount which under present conditions can be saved, with a prospect that additional savings can be effected when a further survey may be had of possibilities under the reduced operating force.

This report has not been formally agreed to by the board, but such action will be had on Monday, the 18th instant.

Very truly yours,

T. V. O'CONNOR, Chairman.

UNITED STATES SHIPPING BOARD,  
Washington, April 18, 1932.

HON. EWIN L. DAVIS,  
Chairman Committee on  
Merchant Marine, Radio, and Fisheries,  
House of Representatives, Washington, D. C.

DEAR CHAIRMAN DAVIS: Referring to letter of April 16, 1932, regarding economies which can be effected by the Shipping Board and the Fleet Corporation, I beg to advise you that the board this morning ratified and approved the letter as delivered to you.

The board particularly desires to call your attention to an additional figure of saving which can be effected if all the lines are sold amounting to \$443,945. \* \* \*

This additional figure does not include the advantage to the Treasury of the 25 per cent down payment in cash which would accrue from the sale of the lines the first year. This cash would amount to \$1,255,477.56.

To summarize: Whereas our letter of April 16 shows total savings by the board and Fleet Corporation of \$2,305,240, we may go farther and say that there will be in addition to that \$443,945 and \$1,255,477.56, making a total figure of economy through the retrenchment and sales program submitted of \$4,004,662.56.

Very truly yours,

T. V. O'CONNOR, Chairman.

Under this plan the board consolidated the four shipping services operating out of the Gulf of Mexico, and they already have a satisfactory offer for the purchase of the entire consolidated service, which the Shipping Board has approved. The bidders have filed a certified check as evidence of good faith. If this sale is effected, the second letter from the chairman of the Shipping Board explains the large additional savings which would be effected.

In addition, the plans embrace a consolidation of two services operating out of Hampton Roads, and the Shipping Board has received a satisfactory offer for this consolidated service. This would result in a large additional saving.



This would only leave two Shipping Board services, for one of which the Shipping Board has a tentative offer.

The sale of these services will result in a large additional reduction of personnel and other expenses, besides those specifically provided in the economy bill, and should result in the liquidation of the Merchant Fleet Corporation and further reduction in the personnel of the Shipping Board.

May I be permitted to suggest that if all the congressional committees had proceeded in like manner with respect to the activities of the Government over which they had legislative supervision, very large savings could have been effected?

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LaGuardia]. The amendment was agreed to.

The CHAIRMAN. The question recurs upon the amendment offered by the gentleman from California [Mr. BARBOUR].

Mr. RAMSEYER. Mr. Chairman, may we have that amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again read the amendment.

The question was taken; and on a division (demanded by Mr. McDuffie) there were—ayes 175, noes 32.

So the amendment was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 14, line 11, strike out all of section 301.

Mr. VINSON of Georgia. Mr. Chairman, I trust the members of the committee will give careful consideration to the amendment I have just offered, because this is a very vital section of this bill.

This bill is designed to save money. This section, on the contrary, is a very extravagant and pernicious section. It permits the departments to obtain 15 per cent of the annual appropriation and spend it without Congress having any voice in the matter; in other words, you permit the various departments to have 15 per cent of the amount of money we appropriate and spend it as they see fit instead of spending it in the way Congress has directed.

Just to show you what would happen, a few days ago we appropriated \$325,000,000 for the support of the Navy. Under this provision the Navy Department can take \$48,000,000 of that amount and spend it as it sees fit, upon the approval of the Director of the Budget.

Mr. RAMSEYER. Oh, the gentleman has not read the section or he would not make such a statement.

Mr. VINSON of Georgia. If the gentleman will read the provision he will see that I am absolutely correct.

Mr. RAMSEYER. It may be transferred from one activity to another activity in the same department.

Mr. VINSON of Georgia. And it can not be over 15 per cent that is transferred from one bureau to another; but my statement is absolutely correct that Congress loses control of 15 per cent of the amount of money appropriated to each and every department of this Government.

Mr. RAMSEYER. Does the gentleman know that in the Department of Agriculture this provision has been permanent law for years and that that department can make such transfers?

Mr. COLLINS. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Mississippi.

Mr. COLLINS. It never has been the rule in the Department of Agriculture except within bureaus in the department. They can not transfer from one bureau to another.

Mr. VINSON of Georgia. The gentleman is absolutely correct. If this provision stays in the bill, instead of being in the interest of economy, it is in the interest of extravagance, because no longer will Congress have the right to

itemize the appropriations and say how each and every dollar shall be spent. We will confer upon these departments this right, which is a thing that the Navy Department and the War Department and every other department have been seeking for years—to say how the money shall be allocated instead of having it allocated by the Congress.

Has the time now come when Congress no longer wants to exercise its right and its jurisdiction with respect to the distribution of the various appropriations? This is not in the interest of economy, but is in the interest of extravagance.

Let me illustrate further. We itemize every dollar that is spent in the Navy and we say that so much money can be used to buy automobiles. If, in the judgment of the Navy Department, it is desired to do so, under this provision they could take 15 per cent of the \$48,000,000 and buy such automobiles as they saw fit to purchase.

We appropriate in the Department of Agriculture bill \$125,000,000 for good roads. If, in the judgment of the Director of the Bureau of the Budget and the department, it is proper, they can take a portion of 15 per cent of the total amount appropriated to the department for good roads and use it to kill grasshoppers or the boll weevil or the Mediterranean fruit fly or for any other purpose it may see fit.

Let me say further that this is what the departments have been fighting for year in and year out. They want to have the right to say how the money shall be distributed instead of submitting an itemized statement to Congress each year.

Mr. WOODRUM. Will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. WOODRUM. Is it not true, also, that if a bureau or department should have a surplus, instead of that money being covered into the Treasury it would be immediately transferred to some other bureau and used?

Mr. VINSON of Georgia. Why, of course.

Mr. WILLIAMSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the gentleman who has just left the floor has misunderstood the purport of section 301. It is true that it permits a 15 per cent shift in appropriations, but the gentleman overlooks the fact that not more than 15 per cent can be added to any one appropriation. It would be an impossible thing to take \$48,000,000, for instance, from any given appropriation and add the \$48,000,000 to any other appropriation.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. VINSON of Georgia. Of course, it is limited to 15 per cent as between one item and another, but the \$48,000,000 would be 15 per cent of the total appropriation, and that amount is lost control of by Congress and they could distribute the \$48,000,000 as they saw fit.

Mr. WILLIAMSON. The gentleman knows very well that nothing of the sort will be done. No Cabinet officer would take \$40,000,000 from any one appropriation and give it to any one bureau, or, for that matter, to groups of them. That is pure nonsense, because you can only add 15 per cent to any one bureau, and there is no place where you could put \$48,000,000. The gentleman also said that they could take that money and buy automobiles, if they wanted to do so. That statement is absurd on its face.

I wish you would look at the situation as it actually exists. The Senate has made a 10 per cent flat reduction in many appropriations, and has done so more or less blindly. This has left some bureaus practically high and dry. It has left other bureaus with more money than is indispensably necessary for them to function. The only way the matter can be handled and adjusted upon a sensible and businesslike basis is to allow some transfer of appropriations, and leave it in the discretion of the head of the department. Unless this is done, we are going to have chaos in the departments and the efficiency of the Government service will be destroyed.



This provision applies only to 1933. It is an effort to correct, so far as possible, a situation which has been created by indiscriminate cuts without much reference to the bureaus effected or the merit of the respective activities. There must be some method adopted that will permit some of the most essential activities to function. If cuts have been made injudiciously or if they have been made without reference to merit or if they have been made blindly, manifestly there must be in the hands of some one some degree of discretion to transfer these appropriations from one bureau to another to temporarily tide them over until Congress can remedy the situation. There is not any danger that a large amount of money is going to be transferred from one bureau to another.

You have had such a provision with respect to the Agricultural Department for years. The Secretary of Agriculture has been able to transfer 10 per cent of an appropriation from one activity to another. It has never been charged that this privilege has been abused. It has worked admirably, and been in the interest of efficiency and good government and resulted in a better balancing of the activities of the department. I should not favor the provision under ordinary circumstances, and the only reason it is proposed for 1933 is because of the character of the cuts made.

Of course, every provision of this kind, giving discretion to a department, is susceptible of some abuse, but if we are not able to trust anybody in the matter of appropriations, in view of the cut made at the other end of the Capitol, you are going to have plenty of trouble in all of the departments.

[Here the gavel fell.]

Mr. BYRNS. Mr. Chairman, I move to strike out the last two words. I have felt very keenly about this section, because I know that the departments of this Government for many years have wanted to do this very thing—to secure interchangeable control of at least a portion of the appropriation.

While I regret to differ with the Economy Committee, I am opposed to letting the heads of departments and the Director of the Budget legislate with reference to these appropriations. [Applause.] We carried on the war involving billions of dollars, and no such interchangeability was undertaken or placed into law. There was a bill introduced during the World War seeking to put several billion dollars under the control of the War Department, but Congress overwhelmingly voted it down and made appropriations from time to time in the usual form.

Now, gentlemen, let me tell you, as the gentleman from Georgia says, this means extravagance. It does not mean economy.

Let me tell you what could happen. We have an appropriation of \$108,000,000 for public buildings in the Treasury Department. Congress cut the Coast Guard appropriation a million dollars from the Budget estimate against the recommendation of the Treasury Department. If this section becomes law the department could take from your public building fund and practically restore that cut in the Coast Guard appropriation. That could be done by the head of the department, if approved by the Budget, who was frank enough to say a few days ago, "What is sacred about a new post office in times like these?" This remark would indicate that there might not be much hesitation about transferring \$16,000,000 from the public building appropriation to other Treasury Department purposes.

But that is not all. Congress has limited the amount for prohibition to something over \$10,000,000 for the Department of Justice. If this provision is inserted the Department of Justice might take 15 per cent of other appropriations and increase the prohibition enforcement sum a million and a half dollars.

That is not all; in the Agriculture Department there is \$109,000,000 for public roads, and if this provision becomes

a law it might be possible for the Secretary of Agriculture to take \$15,000,000 and distribute that among other operations in that department.

Mr. RAMSEYER. Will the gentleman read the section and tell us how he can take \$15,000,000 and transfer it to other activities?

Mr. BYRNS. The gentleman from Iowa understands that as well as I do. Of course he is not going to take \$15,000,000 in one operation, but he could increase appropriations of every bureau in his department and use the 15 per cent of that appropriation, and that is just what I object to.

Congress is in session, and, gentlemen, you should keep your hands on these appropriations. I do not want to see the public-building fund used for any purpose other than what Congress intended. [Applause.]

That is not all. Take the War Department. The War Department appropriation bill has not yet been reported. The Budget estimate for rivers and harbors amounts to \$60,000,000. Flood control amounts to \$32,000,000. If this provision becomes the law, the Secretary of War, if he sees fit, can take either all or a portion of 15 per cent of \$92,000,000 and distribute it among other bureaus in his department, and it is that to which I object.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. RAMSEYER. Mr. Chairman, I rise in opposition to the amendment. This Economy Committee has had its ups and downs for eight weeks. It started out with one chairman and ended up with another. Still the words ring in my ears as we left the Economy Committee the last time. This member says, "I do not like that" and another member says, "I do not like that," but the way it sounds in my ears now is that there was a general understanding that we would come in here and try to stand together.

Mr. BYRNS. The gentleman will not accuse me of entering into any such agreement.

Mr. RAMSEYER. I am not quoting anybody and I am accusing the gentleman of nothing.

Mr. BYRNS. I want to deny that I promised the committee or anybody else that I would stand for this thing. I do not propose to be put in that attitude before the House.

Mr. RAMSEYER. I am not saying that the gentleman did. If he says that he did not, that settles it with me.

Mr. BYRNS. That is true.

Mr. RAMSEYER. All right; but this committee has been kicked around by different groups. Now the committee gets a kick from one of its own members. There is no use of our getting excited about this. Evidently the gentleman from Tennessee [Mr. BYRNS] does not know that we are in an emergency. The country is in a condition such as it never faced before. This is emergency legislation; it is for one year only; and it is to enable the departments to function, to meet situations such as was created in the Interior Department appropriations when this Congress cut the appropriation flat 10 per cent without designating what activities in that department were to be affected, and unless the heads of departments, with the approval of the Director of the Budget, have a right to make some transfers, some functions of government may break down altogether. This does not authorize the heads of departments to take 15 per cent off one appropriation and add it to another, but it does provide that no appropriation can be increased over 15 per cent. You can not take 15 per cent from public roads or rivers and harbors. What can be done is, that if some appropriations are deficient, you can take from others; but the increase of the particular appropriation can not be over 15 per cent. That is a distinction that is important and which the gentleman from Tennessee overlooks. Let us read this language which the motion seeks to strike and get it right. There is no use of getting excited about this. We ought to look at this calmly and remember that we are confronted by a serious situation. We are cutting here and cutting there, right and left, and going at it blindly in some cases.



All this does is for the fiscal year 1933 to authorize the heads of departments, with the approval of the Director of the Budget, to make transfers from one appropriation to another appropriation in the same department, but to any particular appropriation to which the transfer is made, it can not be increased over 15 per cent. Oh, yes; the gentleman from Tennessee, a great dry advocate, had to throw out a sop to you wets warning you that you better look out or else they would increase the appropriation to enforce the prohibition law.

Mr. SCHAFER rose.

Mr. RAMSEYER. No; I do not yield. Let me read:

To any other appropriation or appropriations under the same department or establishment, but no appropriation shall be increased more than 15 per cent by such transfers.

The inference from the gentleman's speech was that here is the public-roads appropriation—\$100,000,000 or more—and that you could take away \$15,000,000 and put it somewhere else. That is not in this provision at all. The committee, out of an abundance of caution, wrote in a proviso requiring that—

A statement of all of the transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935, and a statement of all transfers of appropriations made hereunder up to the time of the submission of the annual Budget for the fiscal year 1934, and all contemplated transfers during the remainder of the fiscal year 1933 shall be included in the annual Budget for the fiscal year 1934.

That is, that between the 1st of July and the 1st of November of this year it must show in the Budget how much has been transferred and what they contemplate transferring during the remainder of the fiscal year. That keeps the Congress advised. This is simply to meet an emergency situation, and it is for one year only.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate upon this title and all amendments thereto do now close.

The question was taken; and on a division (demanded by Mr. COLLINS) there were—ayes 107, noes 26.

So the motion was agreed to.

Mr. FRENCH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 14, line 15, after the word "Columbia," insert "the appropriation bill for the support of which may not have been sent to conference between the Senate and the House of Representatives."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. DOUGLAS of Arizona) there were—ayes 77, noes 55.

So the amendment was agreed to.

Mr. LAMNECK. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment by Mr. LAMNECK: Page 17, line 16, add a new section, as follows:

"SEC. 304. No moneys heretofore appropriated for State aid shall be expended during the fiscal year ending June 30, 1933, except the amount appropriated for vocational education."

Mr. RAMSEYER. Mr. Chairman, I make a point of order that the amendment is not germane. The section is out. There is nothing left of the bill about State aid of any kind.

The CHAIRMAN (Mr. WARREN). The Chair thinks that, this being under the miscellaneous provisions, the amendment would be germane. The Chair therefore overrules the point of order.

The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

Mr. SWING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. SWING: Page 15, lines 3, 4, and 5, strike out section 302.

The question is on the amendment offered by the gentleman from California.

Mr. SWING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SWING. I do not understand that debate has been closed upon the entire title.

The CHAIRMAN. The gentleman is in error.

The question is on the adoption of the amendment offered by the gentleman from California [Mr. SWING].

The amendment was rejected.

Mr. LONERGAN. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. LONERGAN: Page 24, line 24, add a new section:

"\* \* \* \* \* Provided, That in the consolidation or merging of Shipping Board activities, employees originally appointed as a result of civil-service examination, or by transfer from such civil-service status in another department, be given preference for retention in the consolidated or merged board or bureau over employees who have no such civil-service status."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was rejected.

Mr. BOWMAN. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. BOWMAN: Page 28, line 23, strike out all of section 322.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from West Virginia.

The amendment was rejected.

Mr. BUCHANAN. Mr. Chairman, I offer an amendment which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. BUCHANAN: Page 17, line 24, after the word "Government," insert "and \$225,000 for farmers' bulletins."

Mr. GOSS. Mr. Chairman, I make the point of order that that is not germane. It is increasing an appropriation.

The CHAIRMAN. The Chair thinks it is germane. The situation is entirely different from the former amendment offered by the gentleman from Texas. The Chair thinks the gentleman has now brought the same within the rules of germaneness. The Chair, therefore, overrules the point of order.

The question is on the adoption of the amendment offered by the gentleman from Texas [Mr. BUCHANAN].

The question was taken; and on a division (demanded by Mr. BUCHANAN) there were ayes 62 and noes 78.

Mr. BUCHANAN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. BUCHANAN and Mr. WILLIAMSON as tellers.

The committee again divided; and the tellers reported there were ayes 112 and noes 100.

So the amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 26, line 4, strike out all of subsection (1) and insert in lieu thereof the following:

"The United States Shipping Board Merchant Fleet Corporation is hereby abolished effective June 30, 1932, and its activities, authority, powers, and operating funds are hereby transferred to the United States Shipping Board, except \$1,938,240 of such operating funds which shall be covered into the Treasury as miscellaneous receipts."

Mr. WILLIAMSON. Mr. Chairman, I make the point of order that the amendment is not germane. This is simply an amendment transferring the Merchant Fleet Corporation to the Shipping Board, and it is clear there is no apparent saving on the face of it, and no economies are involved.

The CHAIRMAN. The Chair overrules the point of order.



Mr. JONES. Mr. Chairman, I ask unanimous consent that I may be permitted to address the committee for two minutes.

Mr. WILLIAMSON. Mr. Chairman, I object.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Texas [Mr. JONES].

The amendment was rejected.

Mr. FRENCH. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 14, line 12, insert a new section reading as follows:

"Sec. 301. Not to exceed 15 per cent of any appropriation for the Interior Department for the fiscal year ending June 30, 1933, may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations under the same department or establishment, but no appropriation shall be increased more than 15 per cent by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935, and a statement of all transfers of appropriations made hereunder up to the time of the submission of the annual Budget for the fiscal year 1934, and all contemplated transfers during the remainder of the fiscal year 1933, shall be included in the annual Budget for the fiscal year 1934."

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Idaho [Mr. FRENCH].

The question was taken; and on a division (demanded by Mr. RAMSEYER) there were ayes 54 and noes 103.

So the amendment was rejected.

The Clerk read as follows:

#### TITLE IV—REORGANIZATION OF EXECUTIVE DEPARTMENTS DECLARATION OF POLICY

SEC. 401. In order to further reduce expenditures and increase efficiency in government it is declared to be the policy of Congress—

- (a) to group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purposes;
- (b) to reduce the number of such agencies by consolidating those having similar functions under a single head;
- (c) to eliminate overlapping and duplication of effort; and
- (d) to segregate regulatory agencies and functions from those of an administrative and executive character.

#### DEFINITIONS

SEC. 402. When used in this title—

- (1) The term "executive agency" means any commission, board, bureau, division, service, or office in the executive branch of the Government, but does not include the executive departments mentioned in title 5, section 1, United States Code.
- (2) The term "independent executive agency" means any executive agency not under the jurisdiction or control of any executive department.

#### POWER OF PRESIDENT

SEC. 403. For the purpose of carrying out the policy of Congress as declared in section 401 of this title, the President is authorized by Executive order—

- (1) to transfer the whole or any part of any independent executive agency, and/or the functions thereof, to the jurisdiction and control of an executive department or another independent executive agency;
- (2) to transfer the whole or any part of any executive agency, and/or the functions thereof, from the jurisdiction and control of one executive department to the jurisdiction and control of another executive department; or
- (3) to consolidate or redistribute the functions vested in any executive department or in the executive agencies included in any executive department.

SEC. 404. The President's order directing any transfer or consolidation under the provisions of this title shall also designate the records, property (including office equipment), personnel, and unexpended balances of appropriations to be transferred.

#### SAVING PROVISIONS

SEC. 405. (a) All orders, rules, regulations, permits, or other privileges made, issued, or granted by or in respect of any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title, and in effect at the time of the transfer or consolidation, shall continue in effect to the same extent as if such transfer or consolidation had not occurred, until modified, superseded, or repealed.

(b) No suit, action, or other proceeding lawfully commenced by or against the head of any department or executive agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of any transfer of authority, powers, and duties from one officer or executive agency of the Government to another under the provisions of this title, but the court, on motion or supplemental

petition filed at any time within 12 months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the head of the department or executive agency or other officer of the United States to whom the authority, powers, and duties are transferred.

(c) All laws relating to any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title shall, in so far as such laws are not inapplicable, remain in full force and effect, and shall be administered by the head of the executive agency to which the transfer is made or with which the consolidation is effected.

#### STATUTORY AGENCIES

SEC. 406. Whenever, in carrying out the provisions of this title, the President concludes that any executive department or agency created by statute should be abolished and the functions thereof transferred to another executive department or agency or eliminated entirely the authority granted in this title shall not apply, and he shall report his conclusions to Congress, with such recommendations as he may deem proper.

#### DISAPPROVAL OF EXECUTIVE ORDER

SEC. 407. Whenever the President makes an Executive order under the provisions of this title, such Executive order shall be transmitted to the Congress while in session and shall not become effective until after the expiration of 60 calendar days after such transmission: *Provided*, That if Congress shall adjourn before the expiration of 60 calendar days from the date of such transmission such Executive order shall not become effective until after the expiration of 60 calendar days from the opening day of the next succeeding regular or special session: *Provided further*, That if either branch of Congress within such 60 calendar days shall pass a resolution disapproving of such Executive order, or any part thereof, such Executive order shall become null and void to the extent of such disapproval.

#### REPORT TO CONGRESS

SEC. 408. The President shall report specially to Congress at the beginning of each regular session any action taken under the provisions of this title, with the reasons therefor.

Mr. BACHMANN. Mr. Chairman, I move to strike out the last word.

I would like to have the attention of the chairman of the committee in charge of the bill. Can the chairman advise the House what he intends to do with respect to a recess or an adjournment this evening?

Mr. McDUFFIE. Mr. Chairman, I want to do what the House wishes to do. [Applause.] I have already learned my lesson along that line. I should like very much to see the committee work until 5 o'clock and then recess until 7.30 this evening.

Mr. BACHMANN. I will say to the gentleman from Alabama that many of the Members on this side would like to recess from 5 to 7.30.

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: On page 31, line 15, strike out the period and insert in lieu thereof a semicolon and the word "and," and insert a new paragraph after line 15, as follows:

"4. To designate and fix the name and functions of any consolidated activity or executive agency, and the title, powers, and duties of its executive head."

Mr. WILLIAMSON. Mr. Chairman, this amendment has the approval of the Committee on Economy. It is simply a perfecting amendment offered for the purpose of making sure that the President will have the authority to carry out the purposes of the bill. The amendment gives him authority which he probably has now, but which ought to be made certain, namely, that the President, in consolidating activities, has the right to give the consolidated activity a name, and to designate the title, powers, and duties of the person chosen to administer its functions. That is the only purpose of it. It should be adopted in order to complete the section.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMSON. I yield.

Mr. McDUFFIE. I think that power is already granted in the language as it is, but if the gentleman prefers having additional language to that effect I am not going to object to it.



Mr. WILLIAMSON. His power now is implied. This amendment makes it clear that he has the necessary authority to carry out what the committee has in mind.

Mr. JONES. Mr. Chairman, I rise in opposition to the amendment. As I understand the amendment, it authorizes the President to fix the duties of any new combination agency that he may create. It might mean an additional expense rather than an economy.

Mr. WILLIAMSON. Is the gentleman familiar with the language of the amendment?

Mr. JONES. Mr. Chairman, I would like to have the Clerk read the language of the amendment.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk again read the amendment.

Mr. JONES. In other words, he can fix all the powers, duties, and obligations of the new agency. He can transfer any executive or nonstatutory agency or division, or group them under a new head, and then clothe them with additional powers.

Mr. WILLIAMSON. Oh, no.

Mr. JONES. He can. Of course, it might be subject to disapproval.

Mr. McDUFFIE. The gentleman has not read the title, or he would not make that statement.

Mr. JONES. Oh, yes; I have. The gentleman evidently has not thoroughly considered the broad powers of the amendment offered by the gentleman from South Dakota, especially in connection with the terms already in the bill.

The President may make an Executive order under section 407. Sixty days elapse. It then becomes effective. Then under the added power of the amendment under consideration added powers may be given.

Mr. McDUFFIE. If the gentleman will read the definitions under section 402, I am sure that what the amendment comprehends will be clear in his mind.

Mr. JONES. I do not agree with the gentleman from South Dakota. It seems to me it gives blanket authority when read in connection with the other provisions of the title.

I think an effort should be made to eliminate rather than to create new agencies.

Mr. McDUFFIE. That is what we tell him to do.

Mr. JONES. I offered an amendment a while ago to authorize the abolishment of the United States Shipping Board and Emergency Fleet Corporation. They have two organizations, a United States Shipping Board and an Emergency Fleet Corporation. Why have both? Why not eliminate one? They have a division of law and a bureau of law. You might as well have a bureau of fisheries and a bureau of fish. Those things should be consolidated.

The portion of this section which authorizes consolidation and elimination is all right; but if I read the amendment correctly in connection with previous and subsequent language, you would authorize him to create a bureau and to transfer the duties, fix the powers and obligations of that bureau. Is not that correct?

Mr. DOUGLAS of Arizona. I think the gentleman is wrong. I call his attention to the language of section 406, which expressly prohibits him from abolishing or transferring the functions of any executive agency or department which has been created by law.

Mr. JONES. Where does the gentleman find that language?

Mr. DOUGLAS of Arizona. That language is in section 406, on page 33. I think the gentleman is in error. If he will read section 406, he will find that whenever, in the opinion of the President, an executive department should be abolished or the functions of that department or agency should be transferred, when that department or agency has been created by statute he can do nothing more—

Mr. JONES. That is limited to statutory agencies. That does not apply at all to the different agencies that may be created under the other definitions and which may not be statutory agencies in any sense. Section 407 transfers legislative power by virtue of the lapse of time. Then

linked with this amendment, I fear that additional duties may be conferred.

[Here the gavel fell.]

Mr. WILLIAMSON. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for three additional minutes.

The CHAIRMAN. Is there objection?

Mr. STAFFORD. Mr. Chairman, I object.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 93, noes 14.

So the committee amendment was agreed to.

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: On page 33, line 15, after the word "transmission," insert a comma and "unless Congress shall sooner approve of such Executive order or orders by concurrent resolution, in which case said order or orders shall become effective as of the date of the adoption of the resolution."

Mr. McDUFFIE. Before the gentleman proceeds, may I state that that is not a committee amendment. The committee objects to that amendment very seriously.

Mr. WILLIAMSON. I did not announce that it was a committee amendment. The Chair may have assumed it was such from the fact that I am a member of the committee. Mr. Chairman, the only purpose of the amendment, I may say to the gentleman from Alabama, if he will listen to me, is to make it possible for an Executive order to become effective if both Houses shall pass a resolution approving of the Executive order. Suppose the President sends an Executive order reorganizing a certain department. Why should not the Senate and House be permitted to pass a concurrent resolution approving that Executive order so that it may go into effect as of the date when Congress passes the resolution? Under these circumstances there is no reason why it should wait for a period of 60 days if Congress should determine otherwise.

Mr. McDUFFIE. If I caught the reading of the amendment, it provides for a joint resolution to veto the action of the President?

Mr. WILLIAMSON. Not a joint resolution.

Mr. McDUFFIE. That is what I understood from the reading of the amendment.

Mr. WILLIAMSON. It does not change the language in any way. If the gentleman will look at the point where the amendment comes in—

Mr. STAFFORD. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again read the amendment.

Mr. WILLIAMSON. This does not in any way limit or affect the two provisos. The House may disapprove the order, in which case it becomes null and void. The only effect is to permit affirmative action by both Houses, if they see fit to take such action, so that the order may go into effect at once without being delayed for a period of 60 days.

Mr. RAMSEYER. Will the gentleman yield?

Mr. WILLIAMSON. I yield.

Mr. RAMSEYER. The provision in line 15, after "provided," remains unchanged. This is only for the purpose of expediting the order if a joint resolution approving it passes both Houses. Of course, if one House rejects it, that ends the matter.

Mr. McDUFFIE. Could not the order go into effect without waiting the entire 60 days? The gentleman's idea is that it can not be effected until after the expiration of 60 days.

Mr. RAMSEYER. Oh, no.

Mr. McDUFFIE. If both Houses say they want it to go into effect prior to the expiration of 60 days, this amendment permits it to do so?

Mr. RAMSEYER. Yes; and that is all it does.

Mr. McDUFFIE. That is all right.



The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. WILLIAMSON].

The amendment was agreed to.

Mr. HOLADAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLADAY: Page 33, strike out section 406 and section 407.

Mr. HOLADAY. Mr. Chairman, in my opinion these two sections are the most important sections in this bill. A great many of the proposed economies we have considered so far in this bill are temporary propositions and are effective for only one year. The sections dealing with the consolidation of bureaus and departments provide for a permanent program; and if any economies are effected, they will continue in the years to come.

On the 19th of February of this year I introduced a resolution giving the President of the United States the power to abolish, combine, and consolidate commissions, boards, departments, bureaus, and divisions of the National Government. The provisions of my resolution are included in the bill we are now considering. The economies possible under the terms of my resolution, as contained in this bill, are curtailed by the two sections my amendment would strike out, as these two sections require that any consolidations that the President may make must come back for the approval of Congress.

During the three days this bill has been under consideration I have wondered how many Members of this House are actually in favor of effecting permanent economies in government. The President, according to newspaper reports, has expressed a desire for authority to consolidate certain departments, claiming that if he had such authority, economies in government could be effected.

I am in favor, in the face of the emergency that confronts this country, of giving such authority to the President.

Under the provisions of the two sections struck out by my amendment the President has but little authority except upon the approval of Congress. Whatever he does must come back here for the approval of the Congress, and has there ever been a better illustration of the difficulty of Congress agreeing upon economies than we have witnessed during the last three days? There is a great difference of opinion in this House, and this is the trouble we have with every effort we make to effect economies. There is a difference of opinion, a difference of interests; and the net result is that on account of those conditions, we are not able to effect the economies we should.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. HOLADAY. I yield.

Mr. OLIVER of Alabama. The gentleman would not deny Congress the right to assert such differences and have the membership of this House pass upon them?

Mr. HOLADAY. In the interest of economy, I would.

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment is to strike out sections 406 and 407 of Title IV.

Section 406 provides that whenever, in the discretion of the President, an executive department or an agency should be abolished or the functions of such a department or agency, created by statute, should be transferred to some other department or agency, the President shall submit his recommendations to the Congress for approval or disapproval by the Congress.

There is a reason for having inserted this language in the amendment. This reason is that Congress can not delegate to the President authority to abolish an executive department or an agency created by statute. To do so would be to delegate to the President authority to legislate. This clearly can not be done under the Constitution.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. VINSON of Kentucky. Does not the gentleman think that power is given to him in section 407, where you are legislating by negation?

Mr. DOUGLAS of Arizona. No; the gentleman is in error. Section 406 applies only to those departments or agencies which have been created by statute, with respect to which the President thinks certain things should be done.

Section 407 has to do with the elimination or transfer of bureaus or agencies which have not been created by statute. With respect to them it provides that the President may, by Executive order, arrange for their elimination or their transfer, and it provides further, that such Executive order shall not become effective unless Congress, within a period shorter than 60 days, shall have positively approved of such Executive order, or unless within 60 days either House of Congress shall have vetoed or disapproved the Executive order.

The provisions of section 407 are confined only to those executive departments and agencies which have not been created by statute.

Mr. SCHAFER. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. SCHAFER. What has the gentleman to say about delegating the power of Congress, in section 604, page 44, where you delegate the power not to the President, but to a Cabinet officer to consolidate, eliminate, restrict, and create?

Mr. DOUGLAS of Arizona. If the gentleman will wait until we consider title 6, I will discuss that question with him.

Mr. SCHAFER. Is the gentleman in favor of giving this superman this broad power?

Mr. DOUGLAS of Arizona. I decline to yield further.

Mr. McCORMACK. Is not the distinction this, that the bill provides for reorganization by Congress, whereas the other is vesting power in the Executive to reorganize?

Mr. DOUGLAS of Arizona. Certainly. The amendment offered by the gentleman from Illinois in effect would delegate to the President legislative powers which can not be delegated by Congress. In the second place, it would deny to Congress the right to disapprove any Executive order the President might issue with respect to a bureau or agency not created by statute. For that reason I am opposed to the amendment, and I hope it will not prevail.

Mr. MAPES. Mr. Chairman, I move to strike out the last word. I agree fully with the position of the gentleman from Illinois [Mr. HOLADAY] that, if we ever have a reorganization of the various departments of the Government really worth while, we must give the President the necessary authority to do the job. The debate on this bill and the action of the House during the last few days are evidence anew of the correctness of that statement. I did not intend, however, to take the floor to discuss his amendment, and would not have done so, except for the positive statement by the gentleman from Arizona that such authority could not be delegated to the President. He made the statement so positively that it seemed to me that it ought not to go unchallenged. I admit that it is a disputed question. My understanding is, and I have given the subject some study, that all lawyers do not agree about it, but some very good lawyers say the passage of legislation giving the President the power to reorganize and consolidate the departments and activities of the Government as contemplated by the gentleman from Illinois [Mr. HOLADAY] would be in itself sufficient repeal or amendment of the statutes which created those activities to authorize or permit the President to make the consolidations and reorganizations without reference to any further action by the Congress.

I merely rose for the purpose of making this statement so that the RECORD would show that there is more uncertainty about the question than the rather definite statement of the gentleman from Arizona would indicate. At most it can only be said that it is a disputed question.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. MAPES. I yield.



Mr. OLIVER of Alabama. Since the committee appears to have given this matter much consideration and is in agreement as to their title, surely the gentleman is not desirous of raising a controversy about a legal question that might be argued from different viewpoints.

Mr. MAPES. I am not trying to raise any question, but I do not want the Record to show that a statement that a disputed question was really not disputed was allowed to go unchallenged. I tried to interrupt the gentleman from Arizona while he was speaking to raise the question, but did not succeed.

Mr. OLIVER of Alabama. Will the gentleman yield further?

Mr. MAPES. Yes.

Mr. OLIVER of Alabama. I assume the gentleman would concede that there is hardly any legal question that has not two sides.

Mr. MAPES. Oh, I do not want to go into any fine hair-splitting discussion of this matter. I am not now discussing the policy of giving the President such authority. I may add, however, that eight years ago the Solicitor of the Department of Commerce investigated the matter and rendered an opinion that the President could be given this authority.

Mr. DOUGLAS of Arizona. I did not undertake to make a positive statement.

I was simply giving what seemed to me to be the opinion of the Economy Committee.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. WHITTINGTON. If Congress created these departments in the first instance, why should Congress absolutely surrender the right to have any views in respect to their policy?

Mr. MAPES. As a matter of policy the gentleman is entitled to that opinion, but I say that the Solicitor of the Department of Commerce eight years ago rendered an opinion that Congress could delegate this power to the President.

While I am on my feet I should like to add that I think this title as reported by the committee is a distinct step in the right direction, but it does not go far enough. The elimination of the two sections, as suggested by the gentleman from Illinois, would improve it greatly.

Mr. McDUFFIE. Mr. Chairman, I move that all debate upon this title close in 10 minutes.

The motion was agreed to.

Mr. LaGUARDIA. Mr. Chairman, I rise in opposition to the pro forma amendment offered by the gentleman from Michigan. This proposition is very important as well as interesting, particularly in these times when there is a tendency on the part of parliamentary government to delegate powers to the executive. I believe that Title IV is as far as we can safely go under our form of government, if Congress is to retain the powers and rights and prerogatives specifically given to it under the Constitution. The amendment suggested by the gentleman from Illinois [Mr. HOLADAY] to strike out these two provisions would be an absolute delegation of legislative power. I do not say that such a delegation would be abused, but I do say that it would be a most unsafe precedent to establish. I have consistently resisted the delegation of legislative powers to the Executive. Under Title IV, as it now stands, all it does is suggest to the President to make specific recommendations, and he can do that now. It is then up to Congress to act, if it cares to do so. The only change—and I do not like it, although it is in the bill—is that either branch of Congress can veto or reject the President's recommendations in 60 days. If we fail to do that, then the President may put the changes into effect. As far as I am concerned, being a fundamentalist and very conservative in my belief in and attitude toward the Constitution, I would not even go that far, because I believe in our representative form of government; I believe in parliamentary government. I

prefer the procedure under existing law that Congress act on its own initiative or on recommendation of the President, and that until Congress does legislate affirmatively, no law is enacted.

Sometimes our form of government is cumbersome, sometimes it is costly, but it is representative government, and the price of popular government must be paid. I think it would be most unwise at this time to strike out section 407 particularly, and give this blanket authority to the President. I would not give that to any executive.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Yes; to the distinguished chairman of the Judiciary Committee, and an authority on the Constitution.

Mr. SUMNERS of Texas. From the gentleman's investigation of the change in governmental structure, have not these changes arisen usually when people have acted in crises like this, or under stress have violated the basic laws of government?

Mr. LaGUARDIA. Always; and always to their regret and own destruction. We learned in our study of law that hard cases should not be permitted to make bad law. Do not permit bad conditions to destroy good government! This is what Congress will do if we sit idly by and say that we are helpless, that we can not bring reorganization about, and therefore here must give blanket authority and legislative powers to the Executive. It is not the personality of the Executive that enters into it. It is a violent change and such a surrender that we are not justified in sanctioning. That is why I do not like section 106 of the bill, that permits the Secretary of the Treasury to receive from constitutional officers a refund of part of their salaries in place of a reduction, which the Constitution specifically prohibits. That is bad. I wanted to move to strike that out, but I was foreclosed. We should not do indirectly that which the Constitution says we can not do directly. We should not do by coercion or by shaming or coaxing that which the Constitution says we can not do by legislation. I believe section 106 is highly improper, and I am confident it will be stricken from the bill before the bill finally passes both Houses of Congress.

For the same reasons I can not favor any bill or part of a bill which would delegate legislative powers to the Executive.

The CHAIRMAN. The question is on the motion of the gentleman from Illinois to strike out sections 406 and 407.

Mr. WHITTINGTON. Mr. Chairman, I ask for a separate vote on sections 406 and 407.

The CHAIRMAN. The gentleman from Mississippi asks for a division of the question. The question is on the motion of the gentleman to strike out section 406.

The motion was rejected.

The CHAIRMAN. The question now recurs upon the amendment to strike out section 407.

The amendment was rejected.

Mr. BRITTEN. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. BRITTEN: On page 30, line 16, add a new subsection, as follows:

"Subsection (e). That each Saturday of each week of the fiscal year ending June 30, 1933, is hereby declared to be a legal public holiday, to the same extent and in the same manner as Christmas, the 1st day of January, the 22d of February, the 30th day of May, the 4th of July, and labor's holiday are now made by law public holidays."

Mr. McDUFFIE. Mr. Chairman, a point of order, that the amendment is not germane to the section or to the title.

Mr. BRITTEN. Mr. Chairman, the section applies to a declaration of policy. Certainly a declaration for a 5-day week can be construed properly as a declaration of policy. It is in line with the desires of the President of the United States.

The CHAIRMAN. The Chair sustains the point of order.

Mr. JONES. Mr. Chairman, I move to strike out the last word. As a matter of information, before we leave this



title, I am still somewhat bothered about the question raised awhile ago. If I understand it aright, the President may recommend changes in statutory agencies, or he may make absolute orders changing nonstatutory agencies, or consolidating them. That, of course, is subject to the approval of Congress. One is a recommendation to Congress and the other becomes effective if Congress fails to act. The question I wanted to ask some member of the committee to answer is whether under the amendment offered by the gentleman from South Dakota [Mr. WILLIAMSON] to authorize the President to designate the power and authority of any of these consolidated agencies, the President may not, after these have been created, then confer any power that he sees fit on that agency. In other words, suppose that under the nonstatutory agency the President should create a consolidated agency, or should consolidate two agencies, then, under the amendment offered by the gentleman from South Dakota, he may thereafter confer any power or authority that he desires upon that agency. I think if the gentleman will read the amendment, he will see it provides that the President may fix the power, authority, and duty.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. JONES. I yield.

Mr. VINSON of Kentucky. Under section 407 there is an abdication and delegation of power to the President of the United States to legislate, and if section 407 becomes law it will be the first time in the history of the Congress that such power was ever given to any President of the United States.

Mr. JONES. It is in connection with section 407 that I raise the question. He is given the authority; and then, under the amendment offered by the gentleman from South Dakota, the President may clothe that agency with any power he sees fit.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. JONES. I yield.

Mr. WILLIAMSON. The amendment, in my judgment, does not give the President any authority which does not already exist.

Mr. JONES. Why did he offer it, then? He offered it under the powers of the President.

Mr. WILLIAMSON. No. Under this bill he can take two similar agencies, whether they be in one department or whether in two separate departments, and group them together under one head. In other words, the work and functions of two separate agencies, two similar agencies, can be put together under one head.

Mr. JONES. And then he may clothe them with any power he sees fit, under the amendment offered by the gentleman from South Dakota.

Mr. WILLIAMSON. Well, these are administrative bureaus, in any event.

Mr. JONES. They may even become statutory bureaus. After they have been changed they are changed. They may become statutory or at least legalized bureaus—legalized by inaction of Congress.

Mr. WILLIAMSON. No, no. Under section 406 he can not change the function of a statutory bureau.

Mr. STEVENSON. Will the gentleman yield?

Mr. JONES. I yield.

Mr. STEVENSON. If he consolidates two agencies, he could confer any power that is conferred upon those agencies, and which those agencies enjoy, but he could not go outside and import new powers.

Mr. JONES. Well, he can, under the amendment. If not, then the amendment means nothing.

Mr. STEVENSON. I do not think so. It will be confined to the range of powers that those agents have.

Mr. JONES. The gentleman may be right were it not for the amendment just adopted, but it makes changes in the meaning of the existing provisions when read in connection with them.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

# TITLE V—PUBLIC WORKS ADMINISTRATION

## CREATION AND ORGANIZATION

SEC. 501. There is hereby created at the seat of Government an establishment to be known as the Public Works Administration. There shall be at the head of such administration an officer to be known as the Administrator of Public Works, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall hold his office for the term of six years. Such administrator shall receive a salary of \$10,000 per year, payable monthly, and under the direction of the President shall have the control and management of the various bureaus, agencies, activities, and services that the President may under this title transfer to and consolidate in the Public Works Administration.

## CONSOLIDATION OF PUBLIC WORKS BY PRESIDENT

SEC. 502. (a) The President is authorized, by Executive order, to transfer to the Public Works Administration, and to consolidate and coordinate therein, the whole or any part of all bureaus, agencies, offices, activities, and services, whether now existing in any executive department, independent establishment, or as an independent activity, having to do or that are concerned with the architectural, engineering, surveying, designing, drafting, construction, and/or purchasing activities of the Government relating to public works, and/or that are engaged in the making of plans, specifications, contracts, and/or the supervision of public construction, and the transfer of any activity to the Public Works Administration shall carry with it such property, fixtures, records, and files as may be necessary to the proper functioning of such activity under the administrator, but no provision of this act shall be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the Chief of Engineers, or of the Corps of Engineers, or of the officers of the Corps of Engineers of the United States Army, with respect to rivers and harbors, navigation, flood control, and other civil functions and activities, all of which shall remain as now provided for by existing law.

(b) The Administrator of Public Works shall utilize the services of the Corps of Engineers, or the officers of the Corps of Engineers of the United States Army, whenever and wherever practicable in all other public works, construction, and activities. The Secretary of War, upon the request of the Administrator of Public Works, may continue, as under existing law, to detail officers of the Corps of Engineers of the United States Army for duty in such other public works, construction, and activities, to the end that the Corps of Engineers of the United States Army and the officers of the Corps of Engineers of the United States Army may be used whenever practicable in such other public works, construction, and activities, and when so detailed with the consent of the Secretary of War and the Chief of Engineers shall be under the supervision and direction of the Administrator of Public Works.

(c) The Bureau of Yards and Docks of the Navy Department shall remain as now provided by existing law, and no provision of this act shall be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the said bureau and the chief thereof, or the officers and engineers therein. The Secretary of the Navy, upon the request of the Administrator of Public Works, may detail officers and engineers of such bureau for other duties in such public works, construction, and activities; and the Administrator of Public Works shall utilize the services of such officers and engineers whenever practicable; and when so detailed with the consent of the Secretary of the Navy the said officers and engineers shall be under the supervision and direction of the Administrator of Public Works.

(d) All officers of the United States Army and/or Navy detailed as aforesaid to serve in the Public Works Administration shall retain their military and naval rank and succession and receive the compensation, commutation, and emoluments provided by law in the case of Army and/or naval officers of the same rank not detached from the regular service; and such payments shall be made out of funds appropriated for use of the Public Works Administration.

(e) All strictly military, naval, and national-defense construction, improvement, maintenance, and administration shall be and remain in the Army and Navy under the Secretary of War and under the Secretary of the Navy, as now provided by existing law.

(f) The provisions contained in this title shall not apply to the power and authority now vested in the Architect of the Capitol and the United States Supreme Court Building Commission.

(g) All authority, power, and duties now vested by law in the head of any executive department, independent establishment, or office in and over any bureau, agency, office, officers, or branch of the public service, or in respect of any function or service transferred to the Public Works Administration under this title, or in or over any contract or business arising therefrom or pertaining thereto, shall be vested in and exercised and performed by the administrator.

(h) All valid contracts and agreements entered into by any bureau, agency, office, officer, or branch of the public service, and in force at the time of transfer to the Public Works Administration, shall be assumed and carried out by the administrator.

(i) Under the direction of the President, the Administrator of Public Works shall have the power, by order or regulation, to con-



solidate, eliminate, or redistribute the functions of the bureaus, offices, agencies, activities, and services transferred, under the provisions of this title, to the Public Works Administration and to create new ones therein, and, by rules and regulations not inconsistent with law, shall fix the functions thereof and the duties and powers of their respective executive heads.

(j) No consolidation, elimination, redistribution, or coordination of the bureaus, offices, agencies, activities, or parts or functions thereof, as provided by this title, shall be effected, and no new ones shall be created under the authority of this title unless such action shall either in itself or in relation to the entire Public Works Administration be clearly productive of economy in public expenditures.

(k) Whenever any Executive order of the President or any order or regulation of the administrator is issued under this section, the President shall thereupon transmit to the Senate and House of Representatives a copy of such order or regulation, except that if the Congress is not in session at the time of such issuance, then the copy of the order or regulation shall be transmitted at the commencement of the next regular or special session of the Congress. Unless an act disapproving the order or regulation issued is enacted within 60 calendar days after the receipt of the copy of the order or regulation by both Houses, the order or regulation issued shall take effect on the day following the expiration of such 60-day period. If the session during which the copy of the order or regulation is received terminates in less than 60 days after the receipt of the copy by both Houses, an act disapproving the order or regulation may be enacted at any time within 60 calendar days after the commencement of the next regular or special session of Congress; but if such an act is not enacted, such order or regulation shall take effect on the day following the expiration of such 60-day period.

#### APPOINTMENT OF EMPLOYEES

SEC. 503. (a) The Administrator of Public Works may appoint, in accordance with the provisions of the civil service laws, from time to time such assistants, architects, engineers, and experts in design and drafting as may be necessary to carry out the purposes of this title.

(b) The personnel on duty at the time of the transfer of any bureau, agency, office, activity, or service shall be transferred to and given appointment in the Public Works Administration, subject to such change in designation and organization and reduction in personnel, salary, classification, or otherwise, as the administrator may deem necessary.

(c) Such of the employees as have a civil-service status at the time of transfer shall retain that status. The salaries of such employees shall be fixed in accordance with the classification act of 1923, as amended (U. S. C., title 5, ch. 13; U. S. C., Supp. V, title 5, ch. 13).

#### EXISTING LAW AND REGULATIONS UNCHANGED

SEC. 504. (a) All laws relating to such bureaus, agencies, offices, activities, and services as are transferred to the Public Works Administration, so far as the same are applicable, shall remain in full force and effect, except as herein modified, and shall be administered by the administrator.

(b) All orders, rules, and regulations in effect with respect to any activity at the time it is transferred shall continue in force until modified, superseded, or repealed by the administrator.

(c) All unexpended appropriations in respect of any bureau, agency, office, activity, or service transferred to the Public Works Administration shall be as available for expenditure by the Public Works Administration as though said administration had been originally named in the law authorizing such appropriations.

#### SERVICES FOR OTHER DEPARTMENTS

SEC. 505. (a) Whenever any executive department, independent establishment, or other agency or activity of the Government shall be in need of any service or matter coming within the purview of the functions of the Public Works Administration, such department, establishment, agency, or activity shall make appropriate request in writing to the Administrator of Public Works, who shall forthwith place his administration at the service of the department, establishment, agency, or activity making the request.

(b) All estimates for public work and construction coming within the purview of the Public Works Administration at the time such estimates are made shall be made by the administrator and all appropriations for public work and construction shall be made directly to the administration: *Provided*, That said administrator shall make a book charge against the executive department, independent establishment, or agency of the Government covering the cost of any services, public work, or construction performed for such department, establishment, or agency. The amount thereof shall be reported promptly to the department, establishment, or agency for whom services, public work, or construction has been done, and such department, establishment, or agency shall enter the cost of such services, public work, or construction upon its books and the amount of such cost shall be treated as a part of its expenditures in making its annual report to the President and/or the Congress.

#### MISCELLANEOUS

SEC. 506. (a) Quarters for the Public Works Administration shall be provided by the Public Buildings Commission.

(b) It shall be the duty of the administrator to standardize designs, plans, and specifications, so far as practicable and desirable, with a view to effecting the utmost economy consistent with suitable construction.

(c) The administrator, at the close of each fiscal year, shall make a report in writing to the Congress, which shall be printed. Such report (1) shall give an account of all moneys received and disbursed by him and the administration, and shall state for what purpose and on whose account expenditures have been made; (2) shall describe in detail what has been done under section 502 of this title, and shall insert a chart showing the set-up of his administration; and (3) shall make such recommendations with respect to legislation and other matters as to him shall seem appropriate.

(d) The Administrator of Public Works is authorized to make such rules and regulations, in accordance with law, as may be necessary and proper for the purpose of carrying the provisions of this title into full force and effect.

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. I make the point of order, Mr. Chairman, against all of Title V, which seeks to create an entirely new department of government; that it exceeds the authority that was given the Committee on Economy; that the Committee on Economy had no authority whatever to propose to create such a new administration of government.

I want to call attention to the fact that if this Title V is passed in this bill it will be organic law that will authorize whatever personnel that may be required, new personnel. That may be 2,500 new employees, or 5,000 or 10,000 extra employees, and at whatever salary the administration sees fit to grant them, because there is no limitation whatever in this committee proposal. We are for abolishing bureaus and are not for creating new ones.

I call attention to the fact that this proposal to create an entirely new Administration of Public Works is different entirely from the title which seeks to consolidate departments. For instance, the title which consolidates the War Department and the Navy Department shows on its face that it effects an economy. It consolidates two departments. This effects economy on its face, and is clearly within the purview and authority of the Committee on Economy. I am heartily in favor of that proposal, for it will save \$100,000,000 a year, but this is a proposition that undoubtedly will cost the taxpayers of this Nation much money. This provision of the bill does not abolish all of the bureaus that are supposed to be taken over by this Administration of Public Works. It leaves many of them still functioning, and this will be a duplication of effort and of expense and an increase in high-salaried employees, something that we have been trying to stop.

Mr. RAMSEYER. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. RAMSEYER. Just what is the gentleman's point of order?

Mr. BLANTON. That this provision exceeds the authority that this House gave the Economy Committee.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BANKHEAD. Has the gentleman read the rule under which this amendment is offered?

Mr. BLANTON. Yes; of course; but I do not remember its exact provisions. And I have read the resolution that authorized the creation of the Economy Committee, which is the fundamental law under which the committee acts, and that did not authorize the creation of any new bureaus.

Mr. BANKHEAD. That was not the question that I asked the gentleman. Being somewhat familiar with the rule, I will state to the gentleman that the rule under which we are operating specifically gives to this committee the authority to offer this amendment despite any of the regular rules of the House with reference to germaneness. What has the gentleman got to say to that?

Mr. BLANTON. I believe that is a sockdolager. I had overlooked that, so I withdraw the point of order. But we ought not to permit the creation of this new department of Government, and we ought to vote it out of the bill when we reach the proper stage to do that.

Mr. CONNERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: On page 35, line 23, after the word "practicable," insert "to assist in an advisory or supervisory capacity."



Mr. CONNERY. Mr. Chairman, I am in favor of most of the provisions contained in this bill with reference to the Public Works Administration. My sole purpose in offering this amendment is to safeguard labor. The language in the bill at this point reads:

The Administrator of Public Works shall utilize the services of the Corps of Engineers or the officers of the Corps of Engineers of the United States Army whenever and wherever practicable in all other public works, construction, and activities.

Under this language it might be possible to delegate the Corps of Army Engineers to build a post office in your home town and thus put labor out of work.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. LaGUARDIA. Of course, I need not tell the gentleman I am in sympathy with his amendment, but I would suggest that we had better strike out all of section (b).

Mr. CONNERY. I am willing to have the Army engineers work in an advisory capacity.

Mr. LaGUARDIA. But what happens to our architects and our engineers? That is their profession, they are organized, and they cooperate with labor and labor gets a squarer deal from them than they do from these Army or Navy engineers.

Mr. CONNERY. The gentleman is correct. Mr. Chairman, I ask unanimous consent to modify my amendment by moving to strike out all of paragraph (b) beginning in line 20, page 35, and running to line 11 on page 36.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to modify his amendment. Is there objection?

Mr. HOLADAY. Mr. Chairman, I object.

Mr. CONNERY. I have brought my idea before the committee. I do not want the Government to come into competition with private contractors or private architects. Especially I do not want the Government to come in competition with our workers. I am particularly interested in the workers and that was the main purpose for offering my amendment. There is a provision in this bill which takes care of flood control and dredging through the Army engineers. We are not interfering with that, but I do not want Army engineers to erect buildings that would be erected by private architects, laborers, and mechanics.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WILLIAM E. HULL. At the present time they let outside contracts 25 per cent above the Army engineers. They do that now, and you have your own architects here who are building the post offices for the Government.

Mr. CONNERY. I understand that, and the gentleman can see what I am after.

Mr. WILLIAM E. HULL. I understand what the gentleman is attempting to do.

Mr. CONNERY. It is to prevent these Army engineers and Navy engineers from coming into competition with private engineers and architects, especially labor.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WILLIAMSON. I think the gentleman is laboring under a misapprehension as to the number of Army engineers engaged in civilian work. There are only 137 engaged in rivers and harbors work, while there are over 1,000 civilian engineers employed all the time. The number of Army engineers now engaged is very small.

Mr. LaGUARDIA. Then, why the necessity for this section?

Mr. GOSS. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. GOSS. I want to call the gentleman's attention to lines 16 to 25, on page 36. There the same provision is made for the Navy.

Mr. CONNERY. I understand, and I had in mind offering an amendment covering the language on that page also. Mr. Chairman, my sole idea is to protect labor. I offer this

amendment at the request of the members of the American Federation of Labor, and I hope the committee will adopt it.

Mr. ARENTZ. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. ARENTZ. What is the phrase the gentleman uses?

Mr. CONNERY. "To assist in an advisory and supervisory capacity."

Mr. ARENTZ. The gentleman wants to prevent the use of enlisted men in construction work?

Mr. CONNERY. Yes; in the construction of post-office buildings, and buildings of that kind.

Mr. ARENTZ. Then why does not the gentleman specifically provide for that?

Mr. CONNERY. That is what my amendment provides. I want to prevent the use of enlisted men in the construction of post-office buildings, because we must remember enlisted men were used in the construction of barracks. That is my idea.

Mr. COCHRAN of Missouri. I think the gentleman from Massachusetts is unduly alarmed.

Mr. CONNERY. I hope I am; but I would like to make sure that labor is protected in this provision.

[Here the gavel fell.]

Mr. WILLIAMSON. Mr. Chairman, I rise in opposition to the amendment. I shall try to make clear, if I can, just exactly what subsection (b) does. The rivers and harbors work is excluded entirely from this bill. The only purpose of subsection (b) is to permit, at the request of the administrator of public works, the Secretary of War, and the Secretary of the Navy to detail such engineers of the Army and of the Navy as the administrator of public works desires for his purposes in doing a certain kind of construction. The committee thought that in some cases it might be desirable to use these Army engineers in the construction of dams and possibly in the construction of roads, which are going into the Public Works Administration in all probability. If the administrator desires to use Army engineers in that capacity he can request the Secretary of War to detail those engineers to the Public Works Administrator. While so detailed they are under the Administrator of Public Works, but subject to recall by the Secretary of War or the Secretary of the Navy at any time.

Mr. SCHAFER. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. SCHAFER. Is this language as to public works identical with the public works bill reported by the almost unanimous vote of the Expenditures Committee?

Mr. WILLIAMSON. I do not think there is any change in the bill whatever. I think the gentleman will find it identical with the bill which the committee reported out.

Mr. SCHAFER. We ought to be positive that it is the same if we are going to take any responsibility for voting in favor of the provision because our committee reported it out.

Mr. WILLIAMSON. I yield to the gentleman from Missouri.

Mr. COCHRAN of Missouri. It is identically the same bill as the one reported by the Committee on Expenditures.

Mr. SCHAFER. And the perfecting amendments put in the bill in executive sessions of the Expenditures Committee are in this public-works section of this bill?

Mr. COCHRAN of Missouri. Absolutely.

Mr. WILLIAMSON. They are all in Title V of the economy bill which we are now considering.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. WHITTINGTON. With respect to the observations of the gentleman from Massachusetts [Mr. CONNERY], is it not true that neither this subparagraph nor the next has anything at all to do with the actual construction work; that is done by contract, and this provision will not interfere with such construction?

Mr. CONNERY. It can do it under the language here.

Mr. WILLIAMSON. All public buildings are let to contract, and after they are let to contract the contractors furnish the usual service of architects and everything else connected with actual construction. That is not interfered



with. With the smaller buildings, such as post offices, the plans and specifications are made in the Office of the Supervising Architect of the Treasury and construction let out to bids.

Mr. CONNERY. Under this language they will not be compelled to let it out to contract. They can do it, if they wish, with Army engineers.

Mr. WILLIAMSON. Of course, and in the Bureau of Reclamation, for instance, the Government now does a large part of its own construction in certain cases. If they desire they could call in Army engineers to aid them in such construction work, but there is nothing in the bill that indicates or proposes, much less requires, the Government to do its own construction.

Mr. CONNERY. But the language refers to the Corps of Engineers. I am not worrying about the officers, I am thinking of the men in the corps. If you put in the words "in a supervisory capacity" then you confine it to the officers.

Mr. WILLIAMSON. I have no particular objection to that, but, of course, the officers of the Corps of Engineers are the only ones who can be detailed for work in the public-works administration as the language stands.

Mr. THATCHER. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. THATCHER. The first part of this provision is mandatory and not permissive.

Mr. WILLIAMSON. Yes; and from my standpoint is objectionable. I think the word should be "may" in place of "shall" in line 20, on page 35.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 23, noes 50.

So the amendment was rejected.

Mr. McDUFFIE. Mr. Chairman, I move that all debate on this title do now close.

The motion was rejected.

Mr. McDUFFIE. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. McDUFFIE: On page 35, line 12, strike out the word "act" and insert in lieu thereof the word "title," and on page 36, line 13, strike out the word "act" and insert in lieu thereof the word "title."

The amendment was agreed to.

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: On page 39, beginning in line 19, after the word "works," strike out the remainder of page 19 and all down to and including line 9, on page 40, and insert:

"Is hereby authorized and directed to employ by contract, and at the established rates of compensation, outside professional or technical service of competent persons, firms, or corporations, for the architectural and engineering designing and planning of such Federal buildings as are now or may in the future be placed under the jurisdiction of his department, without reference to the classification act of 1923, as amended, or to section 3709 of the Revised Statutes of the United States.

"That such employment shall be based at all times on the highest grounds of proven professional ability in order that our Federal architecture may truly represent our national genius and keep pace with the rapid development of the arts of architecture and engineering. Architects or engineers shall not be employed without prior submission to the Secretary of the Treasury of satisfactory evidence of their qualifications and experience.

"That wherever circumstances warrant, such services shall be contracted for by the employment of the ablest architects and engineers resident in the general sections of the country wherein such Federal buildings are to be erected.

"At the discretion of the Secretary of the Treasury, the employment of outside architects or engineers may be omitted in connection with public buildings of a total cost for building and site of not more than \$50,000.

"That all such individuals, firms, or corporations shall render their services subject to the approval and under the direction of the Administrator of Public Works, whose duty it shall be to act for the Government in all matters regarding sites, the allotment and subdivision of space, the control of technical detail, the letting of contracts, and the supervision of the erection of said Federal buildings."

Mr. COCHRAN of Missouri (interrupting the reading of the amendment). Mr. Chairman, I make a point of order

against the amendment. Instead of effecting economy the amendment would increase the cost of government.

The CHAIRMAN (Mr. WOODRUM). Does the gentleman from Florida desire to be heard on the point of order?

Mr. GREEN. Mr. Chairman, the bill provides for the creation of a Department of Public Works, and this amendment to that provision of the bill provides that they are to have local architects and local engineers do the public work for the Government in Federal construction, rather than to let the bureaus do it. It is absolutely germane, because it qualifies the employment of those who will perform the work for the bureau or the new Department of Public Works. It is clearly in order. There is one place where the amendment reads "Secretary of the Treasury," when it should read "Administrator of Public Works." I shall offer that amendment to the amendment, which, of course, would be a perfecting amendment.

It is clearly in order, Mr. Chairman, because it is the same subject, it is the same purpose, but provides the manner in which the purpose of the bill shall be carried out. It provides for local engineers and local architects to be employed and directs that the Public Works Administrator shall employ them instead of continuing the bureaucracy that is now going on in this branch of the Government.

Mr. SWING. As I understand it, the gentleman is merely offering his bill which has heretofore been introduced.

Mr. GREEN. Yes. The bill that has been considered by the Committee on Public Buildings and Grounds and indorsed by the architects' organization or institute. It is clearly in order and should be adopted.

Mr. COCHRAN of Missouri. What action was taken in the committee on the bill?

Mr. GREEN. The committee has held hearings and it has been referred to the Committee on Economy. It has not been acted upon by the committee—it is under consideration. It is indorsed by the profession, and I think is in order on this bill. Its adoption will bring about further economies in Federal construction, and will, I believe, bring better and more satisfactory Federal construction.

Mr. WILLIAMSON. Mr. Chairman, this bill creates a Public Works Administration, and was first reported by the Committee on Expenditures of the House, and, at the request of that committee, was included by the Committee on Economy in the omnibus bill.

The Committee on Expenditures deals with reorganization problems with a view to economy, very much as the Economy Committee. But the Committee on Expenditures has no jurisdiction to change existing law, except so far as is necessary to effectuate the consolidation or reorganization contemplated. The amendment of the gentleman from Florida [Mr. GREEN] contains legislation of substantive law that has nothing to do with reorganization. It provides that public work shall be let out by contract to private parties. The proposed amendment goes beyond the jurisdiction of the Expenditures Committee and also of the Economy Committee. In place of dealing with reorganization and consolidation, it provides a method for handling public construction and completely changes existing law.

I want to call attention to another point which makes it objectionable from the standpoint of germaneness. That is that it would result in unduly increasing the expense of Government contracts. You would be compelled to employ outside local architects, when we have architects in the Treasury Department.

It is well known that in all cases where private architects are used the expense is from two to three times as great as it is when the architects or engineers in the Government service are used. Clearly no economies appear on the face of the amendment, and unless economies would result it is not germane. It seems to me that the point of order is well taken.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. WILLIAMSON. I yield.

Mr. WHITTINGTON. Is it not true that the proposed amendment strikes out subsection (b) in section 503, and subsection (c), which makes provision for the transfer of



employees and bureaus which would be coordinated, and thereby let them out and increase the expense?

Mr. WILLIAMSON. That is true; and it substitutes in their places people outside of the civil service entirely.

Mr. GREEN. Mr. Chairman, in reply to the economy argument I want to say that it was developed in the hearing before the Committee on Public Buildings and Grounds upon this subject that this bill if put into effect would result in economy over the existing practices, because in obtaining local architects and local engineers, the employment of skilled ones only would be had and would result in economy.

It was developed in the hearings that frequently architects and engineers from a distance were employed to carry out work in other cities, and in that case the economies would not be effected, but involve great expenditure. Also the bureaus often have, I believe, more employees than are necessary. By letting local architects and engineers do the work each project would be separately carried out, and, of course, would be paid for individually, thus causing a saving over the annual employment plan now had by the departments.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. GREEN. Yes.

Mr. WILLIAMSON. The amendment to be germane would have to show on its face that it effects economies, and the gentleman will admit that it does nothing of the sort.

Mr. GREEN. I do not admit that, because it does effect economies. Within six weeks after this plan is put into effect there will be great economies in the Department of Public Works.

Mr. COOPER of Tennessee. Mr. Chairman, I regret to differ with the gentleman from Florida upon the matter of economy. It is my privilege to be a member of the same committee which considered this bill, to which the gentleman from Florida refers, for two weeks. On the contrary, it showed definitely and positively that economy would not be effected.

Mr. GREEN. Did not all of the architects and engineers appearing before the committee contend that economies would be effected?

Mr. COOPER of Tennessee. Yes; but to the contrary the Government officials contended there would be no economy.

Mr. GREEN. Oh, certainly; the Architect of the Treasury and his bureau employees said that economies would not be effected. The passage of the legislation would have abolished their positions and salaries, but the architects and engineers, not so fortunate as to be on the Federal pay roll, were unanimous in their contention that the legislation would bring about economy in Federal building.

It will bring about the ultimate use of local building material and local labor, and that is what we want and what the country needs. It will decentralize an existing Federal bureau and effect economy. Mr. Chairman, the amendment is in order.

The CHAIRMAN. The Chair is ready to rule. This title in the bill, Title V, deals with public-works administration, and the particular section to which the amendment is directed undertakes to set out a specific and definite method for the employment and use of existing governmental personnel in the interest of economy. The gentleman's amendment undertakes to set out an entirely different method. Any method which calls for the employment of outside personnel, however desirable it might be, how much it might appeal to us as an employment measure, the Chair is constrained to think is not germane to the section to which it is offered, and the Chair sustains the point of order.

Mr. McDUFFIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee had had under consideration the bill H. R.

11267, the legislative appropriation bill, and had come to no resolution thereon.

#### BALANCING THE BUDGET

Mr. STEWART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address delivered by the gentlewoman from New Jersey [Mrs. NORTON].

The SPEAKER. Is there objection?

There was no objection.

Mr. STEWART. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered by Hon. MARY T. NORTON during Lucky Strike hour, National Broadcasting Co., station WRC, April 28, 1932:

#### ADDRESS OF HON. MARY T. NORTON, OF NEW JERSEY

I consider it an honor to address this vast unseen audience and desire to express appreciation to the sponsors of the Lucky Strike hour for affording me this privilege.

Congress has recently been working on a problem called "Balancing the Budget." This problem is very interesting to most of us who were members of the preceding Congress, when, under Republican leadership, nobody seemed especially interested in balancing anything—least of all the Budget. Appropriations were supported for every type of unnecessary expenditure from a \$75,000 post office in a little town of a few thousand inhabitants to paying huge sums of money to certain wealthy individuals and corporations as rebates on taxes.

Now, suddenly, upon the Democrats assuming control of the House, we are told the Budget must be balanced. Nobody seems able to answer the question why it is so important to do this unpleasant task now in this most depressing of all depression years, when nobody seems able to balance their own Budget; but the fact is everybody around Capitol Hill seems to have become "Budget conscious" to so great an extent that it is now an epidemic.

I believe in balancing my own Budget so far as I can. Therefore, I am naturally in favor of doing the same thing for Uncle Sam—but there are certain lengths to which I would not go. One is to deprive a faithful employee, who has served me in the good years, the necessities of life, because of my lack of wisdom in not providing for the "rainy day" that always follows the day of sunshine. Only the most abject poverty could justify my doing so, and surely no real American believes that the Treasury of the United States can not sustain its obligations and provide decently for those faithful employees who, when prosperity and large salaries were the subjects discussed everywhere, stood four-square for their country by refusing to be stampeded into leaving their posts to go into industry.

During and subsequent to the war Federal employees did not receive a living wage. Not until 1923 were they granted any real increase. During all this time private industry not only increased salaries greatly but paid bonuses in stock and otherwise. It is true that industry has now decreased salaries, but the salaries now paid are greater than are those paid by the Government for the same type of work.

There is so much misinformation regarding Government salaries that I shall endeavor to present to my audience the true story. As a matter of fact, the average pay of all employees is about \$1,440 per year. This is divided as follows: 17 per cent receive less than \$1,000; 37 per cent less than \$1,500; 57 per cent less than \$2,000; 84.6 per cent less than \$2,500; and 95 per cent less than \$3,000 per year. There are a few \$10,000 positions and a relatively small number from five to ten thousand.

From these figures you can readily understand that a straight cut of 11 per cent applied to all Government employees would save only about 5½ per cent of the national deficit.

This economy bill is now before the House. At last night's session, while failing in our efforts to defeat the proposed wage cut, we were successful in raising the exemption from \$1,000 salaries to \$2,500 salaries—taking care of the "little fellow." However, if a teller vote could be recorded, many of those who voted for the decrease would not have dared to do so.

Aside from the small amount of money this may bring to the Treasury, the loss in morale can not be estimated.

The President's plan for enforced furloughs in the Government service, which was defeated to-day in the House, certainly could not provide additional funds. If this were carried through, it would have meant the employment of from 25,000 to 30,000 additional people to substitute for regular employees. How on earth could this be considered economy? It would only cause confusion and inefficiency.

What we require to-day more than anything else is courage and confidence, and surely it does not take any amount of intelligence to understand that both will be destroyed by threatening the country with a general wage reduction. When people lose their courage, they lose their greatest asset; only God can help them then.

While on this subject of wage reduction, it may be well to call your attention to the fact that the pay roll of the recently appointed Reconstruction Finance Corporation—and, of course, this bureau is not under civil service, merely patronage appointments in the hands of the Republican administration—amounts to \$500,000 a year, with Utah leading in the number



of special considerations. Not much economy there! I might mention, too, that these salaries will not be interfered with in the event that the real employees of the Government suffer a decrease.

What a stupid method of bringing back prosperity. Curtailing the buying power of about 900,000 people. So much for that kind of economy.

Now let me say a word about the tax bill, which everybody seems to resent and we Democrats were obliged to pass in the House because of the reckless extravagance of 12 years of Republican rule or rather misrule.

We can not escape the conviction that conditions during the past two years have been such as would destroy the courage of even an extreme optimist; and we regret that the House has been obliged to pass a tax bill in order to keep our country solvent.

Those of us who voted for this bill were impelled to do so not only by the urgent necessity for such legislation but because we placed the welfare of the country above every other consideration. In doing so we did not believe that we would be called upon to tax our fellow countrymen to the limit and then vote a decrease in wages.

A much easier and less painful method of taxation was and is available, one that would undoubtedly have been acclaimed by the Nation as a whole. I refer to the bill which would alter the odious Volstead law, so as to permit the working people of this country to enjoy a harmless glass of beer and would at the same time bring millions of dollars to our Treasury in taxes.

May I say that the so-called bear raids we have been reading so much about in the press are peaceful Sunday-school picnics in comparison to raids that have been made upon our Treasury Department in the name of the ignoble experiment that has been misnamed prohibition. The law itself, thrust down the throats of a war-occupied electorate by an unholy alliance of reform racketeers and misguided impractical zealots, has done everything but prohibit. It has transformed a law-abiding citizenry to one that either scoffs at all law or regards violations thereof with indifference. It has dragged our once revered Federal courts from the pedestal of dignified tribunals of justice, respected and feared by the lawless, to the status of police courts. It has brought us the murderous gangster, the kidnapper, the extortionist, and the bootlegger. Its harvest has been one of constant seemingly never-ending evils. And its cost—not reckoned in moral liabilities—has been staggering.

My purpose in addressing you to-night is to beg you to think. The greatest trouble in our country to-day is that we have lost the art of thinking straight; of asking why; of placing responsibility where it belongs. In my opinion, the responsibility for the tax bill; the responsibility for being obliged to balance the Budget is clearly up to the Republican Party. That party holding the reins of Government during 12 years, the greater number of which witnessed our greatest prosperity; the party that spent nearly \$62,000,000 a year to stimulate foreign trade with the net result that our foreign trade is exactly in the same position it was in 1914. What can justify this enormous expense to the taxpayer? What has become of the stimulation?

Sound foreign trade policies are essential to the economic welfare of every nation, but the maintenance of a bureau that has become a "white elephant" should cease, even though that bureau is the "fair-haired child" of President Hoover. The child has cost Mr. Average American too much money—and the building that cost our Government nearly \$18,000,000 can not be justified when the employees in that building are now to be penalized because of this unnecessary extravagance.

The Democratic leadership in the House has a bare majority. It is trying to find a way out to serve the people of a distressed country. It has been obliged to put through legislation to help a bad economic condition. It has many handicaps because of the load of Republican debts which must be met, but it is not discouraged.

We appeal to the citizens of our beloved country to trust us, and we shall promise to find a way out of this endless misery. We want your confidence, your cooperation, and we ask you to elect a Congress this year that will give us a clear working majority and a President who will know how to lead.

#### VOCATIONAL EDUCATION

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the subject of vocational education and to present a brief analysis of its uses by the State superintendent of public instruction of Oklahoma.

The SPEAKER. Is there objection?

There was no objection.

Mr. HASTINGS. Mr. Speaker, as my colloquy with the gentleman from Missouri [Mr. CANNON] and the gentleman from Nebraska [Mr. SIMMONS] indicates, I am opposed to section 303 which, beginning in 1934, reduces the Federal contribution for the development of vocational education under the several acts of Congress, and shall vote for the motion of the gentleman from Missouri [Mr. CANNON] to eliminate the section, which will have the effect of contin-

uing the appropriations by the Federal Government for vocational education.

This is one of the most important contributions which the Federal Government makes in aid of the several States.

The most complete and careful analysis I have seen of the benefits of these appropriations is contained in a letter which I received from the State superintendent of public instructions of Oklahoma which, with the permission of the House, I attach hereto.

STATE OF OKLAHOMA,  
DEPARTMENT OF PUBLIC INSTRUCTION,  
Oklahoma City, April 16, 1932.

Hon. W. W. HASTINGS,

Washington, D. C.

DEAR MR. HASTINGS: The President and the House Economy Committee propose to suspend payment to the States for one year, under the terms of the Smith-Hughes and George-Reed Acts, for vocational education in agriculture, trades and industries, and home economics. Doubtless, you have been deluged with letters and telegrams protesting this move.

Do not confuse civilian rehabilitation, county agents, home demonstration agents, and 4-H club work with vocational education as provided under the Smith-Hughes and George-Reed Acts. These services are not affected by the proposal mentioned.

For the past 15 years the State of Oklahoma has made appropriations in good faith, expecting a permanent allotment annually from the funds created by these acts. The State appropriations are made on a cooperative basis; therefore the withdrawal of Federal funds for one year would destroy the program in this State.

The withdrawal of the Federal allotment to this State would mean—

In vocational agriculture—

(1) Depriving 5,000 adult farmers from receiving organized instruction in problems which confront them locally, including living-at-home readjustment.

(2) Depriving 4,000 farm boys from continuing their training in vocational agriculture, through whose efforts 68,000 acres of home farms were terraced.

(3) One hundred and thirty specially trained teachers of agriculture will be thrown into unemployment in this State.

(4) Would destroy 15 years of effort in developing an efficient training program for future farmers.

(5) Would deprive 130 local communities in this State of funds necessary to provide a systematic and efficient training program.

In vocational trades and industries:

(1) Would destroy educational opportunity for 4,906 boys and girls who are now going to school half time and working half time. They would be out of school entirely.

(2) Would destroy educational opportunity for 3,107 men in training supplemental to their daily employment.

(3) Would destroy educational opportunity for 200 boys who are now taking trade preparatory training.

(4) Would deprive 22 industrial centers of this State from funds necessary to carry on a training program of trade and industrial education.

(5) Would destroy 15 years of earnest effort in building an efficient program of industrial training for those engaged in industry.

In vocational home economics:

(1) Would deprive more than 30,000 home makers from receiving vital instruction in problems relating to the home.

(2) Would handicap the follow-up of the White House Conference on Child Health and Protection in placing its findings and recommendations in every home in the Nation.

(3) Would remove one of the strongest forces for building up the home, which strikes at the foundation of society.

Should vocational education be suspended for one year, as outlined by McDuffie's committee, it would make impossible the reviving of vocational education in Oklahoma for many years to come. We realize full well that Congress must retrench, and the vocational program is willing to take its share of the retrenchment; but to suspend operation of the vocational program as provided by the Smith-Hughes and George-Reed Acts would be ruinous to the program we have developed through 15 years of cooperative effort.

We earnestly solicit your assistance and careful consideration of the interest of the farm people, home makers, and industrial workers of Oklahoma.

Very truly yours,

JOHN VAUGHAN,  
State Superintendent.

#### EXTENSION OF REMARKS—OUR 4-H CLUBS AND EXTENSION WORK

Mr. HOPKINS. Mr. Speaker, the most prized and valued asset of our great Nation is its youth. Great are the problems confronting this Nation. The solution of these problems is largely to be placed at the door of the present generation of our young people. They need a thorough training in order to meet these responsibilities.

The 4-H clubs of this Nation provide a splendid training, not only in good citizenship but in the practical duties



of life about the farm and about the home. Anyone who has had the privilege to attend the meetings of 4-H clubs as I have, and have seen the exhibits of the varied experiences these boys and girls are getting, could not but be impressed by the fact that here is something of real and tangible value that is being given the boys and girls of this country through agricultural extension. Frankly, I do not know of any other activity of the Department of Agriculture that gives so much direct benefit to the people of this country as this type of extension service. I venture to state that if you were to give to the farm homes of this country the right to choose which of the activities of the Department of Agriculture should be cut out, this activity would be one of the last voted out.

This is an emergency economy measure that we are considering. I am strongly in favor of taking full steps to bring about this much-needed economy. I have voted to reduce my own salary and will vote for the major portions of this and other bills to reduce and deflate Government expenses. I firmly believe that from this depression, as tragic as it is, will come a great good to this country in the form of a universal demand to reduce taxes, Federal, State, and local. I realize that the big portion of the taxes paid by the farmers of this country, as well as by the small home owner in the city, is paid to support local, county, and city government. Yet we can set a good example by cutting our own expenses as well.

However, I see no reason why in the name of economy we should here to-day take hurried action to begin in 1934 to discontinue over a period of 10 years this form of extension work that is to-day giving benefit to almost every farm home in America. If this work should be discontinued, we should at least have full consideration of the matter in the regular manner before the Committee on Agriculture. There is plenty of time before 1934 to do this.

Therefore, I urge you, my colleagues, to strike this section from this bill. If I have not convinced you of the value of this extension work, at least vote to strike this from this bill so that it can be brought before us in the regular way, and fair consideration given the whole matter.

#### EXTENSION OF REMARKS—THE ECONOMY BILL

Mr. KELLER. Mr. Speaker, I am in favor of every economy that can possibly be effected, but the section of this bill which proposes the elimination of all appropriations for vocational education is not economy but destructive parsimony. I am especially sorry that the President has seen fit to urge that this be done.

The generation of which you and I are a part, as well as that of our sons and daughters, has already suffered needlessly from this panic to an extent bordering closely upon the limits of human endurance. By this measure we are now proposing to further penalize the coming generation by taking from the children of the farmer the one thing which will enable them to compete in a life so complex that many have come to despair of a continued existence.

This proposed economy does not come from any desire to save the farmer a single penny, and those of you who go back to your farmer constituents and tell them of your wonderful record in saving him from burdensome taxes ought also to tell him that for every hundred million dollars that you have saved it will save him personally exactly 15 cents. It is not a trade that is likely to impress the farmer.

When it becomes necessary to chisel and pinch the pennies for children's education in order to balance the Budget, those from whom you are taking the pennies ought also to be told why it is necessary. Nearly twice the amount that it is proposed to save by this entire measure will, before the end of the present fiscal year, be taken from the Treasury in the form of loans to industry.

I have no facts to deny that it is necessary to provide this money to industry, neither am I in possession of any facts which assure me that it was necessary to supply it. We are told behind closed doors that unless we supplied \$2,000,000,000 to banks and industry the whole country would collapse. It appears that now that the interests demanding

these \$2,000,000,000 have secured what they want, that all of the advantages which government has afforded the poor man must collapse, anyway. We have denied food to the hungry, and it now appears that we shall deny an opportunity to children for education that they may better fit themselves for the burdens which shall come to them in the form of a national debt a large part of which is now being created because we refuse to put the burden where it belongs.

The blame for an ill-conceived economy measure should not be placed upon the members of the Economy Committee, who have worked so arduously in bringing in this bill. They have done the best they could, no doubt, in the limited time which they had.

The whole program is an effort to patch up the deficiencies of the present administration. On July 1, 1931, our deficiency amounted to approximately \$1,000,000,000. Only the Congress has the power to remedy such a situation, either by effecting economies or increasing taxation, or both. Why, then, with a billion-dollar deficit facing us nearly a year ago, did the President not call the Congress into session so that sufficient time might be had to effect real economies? Why are we compelled to consummate in eight weeks a program which the President by his refusal to call Congress into session refused to consider important.

If the Reconstruction Finance Corporation is a good institution, and I grant that it is, why were we not permitted to legislate such a corporation into existence a year ago? We certainly could have saved thousands of banks that have failed since that time because no such agency existed.

Why were we not permitted to free credit as provided for in the Steagall-Glass bill a year ago? If it is good now, it would have been better then. Why is every measure that we have been forced to enact an emergency measure? There can be no other answer than that "these measures are emergency measures because the time for well-considered legislation has expired, so we must act quickly; it is an emergency."

It is now proposed that an emergency exists so grave that it is necessary to take the one means which many of our children have for an education away from them. It took years of fighting to secure national appropriations for vocational training. Are we to throw it away because a President who had ample time to act in the interests of true economy deliberately threw away his opportunity and then comes to us at the last minute with a plea not for economy but for destructive parsimony?

I am not going to vote to deny the children of this country an education to save the very rich people of this country from paying increased income taxes, for the great proportion of our Federal income is from the income taxes of the corporations and the rich individuals. That is where it ought to come from. The farmers and laborers do not pay it and ought not to. I am for protecting the poor and the helpless.

#### ENSIGNS IN THE LINE OF THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I present a conference report upon the bill H. R. 8083 providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932, for printing under the rule.

#### MUSCLE SHOALS

Mr. BANKHEAD, by direction of the Committee on Rules, submitted the following resolution for printing under the rule:

#### House Resolution 205

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11051, a bill to provide for the leasing and other utilization of the Muscle Shoals properties in the interest of national defense and of agriculture, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the



bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, when does the gentleman intend to bring the rule up?

Mr. BANKHEAD. I can only state to the gentleman what the tentative arrangement is with reference to that. If I am wrong in the statement I trust the majority leader or the Speaker will correct. My understanding is—and that is the understanding of those who are very anxious for the consideration of this bill—that the rule for its consideration will be offered at the conclusion of the pending bill.

Mr. SNELL. Is the gentleman going to put that in ahead of the other appropriation bills, when we are in a hurry to get through with the session?

Mr. BANKHEAD. I think that is the program.

Mr. STAFFORD. Is it the intention of the leaders of the House to have this rule considered on Monday and displace the Consent Calendar?

Mr. RAINEY. We will not displace that calendar.

The SPEAKER. The rule provides for the Consent Calendar on Monday next, and no one can change that rule.

Mr. STAFFORD. Many members of the Committee on Military Affairs who are opposed to the bill are interested to know when the rule will be brought up for consideration.

Mr. GOSS. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. GOSS. Does the rule provide that the two hours' debate shall be confined to the bill?

Mr. BANKHEAD. Yes.

Mr. STAFFORD. Then the earliest time at which the rule would be brought up would be Tuesday next?

Mr. RAINEY. Yes.

#### ORDER OF BUSINESS

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that the House now stand in recess until 7.30 o'clock p. m.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. SNELL. There has been some suggestion that we might perhaps agree to meet at 11 o'clock to-morrow and avoid an evening session to-night.

Mr. McDUFFIE. If that is the wish of the House, I shall be very glad to comply with it.

Mr. SNELL. We have been driven very hard this week and men's nerves are pretty well on edge. I think you will accomplish more if you will adjourn the House now and meet at 11 o'clock to-morrow than if you attempt to run through until 10 or 11 o'clock to-night.

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 4401. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.; to the Committee on Interstate and Foreign Commerce.

#### ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6662. An act to amend the tariff act of 1930, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3270. An act for the relief of Daniel S. Schaffer Co. (Inc.).

#### ADJOURNMENT

Mr. McDUFFIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.), in accordance with the order previously made, the House adjourned until to-morrow, Saturday, April 30, 1932, at 11 o'clock a. m.

#### COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Saturday, April 30, 1932, as reported to the floor leader by clerks of the several committees:

##### COMMITTEE ON LABOR

(10 a. m.)

To provide farming opportunities for certain destitute and unemployed persons (H. R. 11055 and H. R. 11056).

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. EVANS of Montana: Committee on the Public Lands. H. J. Res. 341. A joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska; with amendment (Rept. No. 1153). Referred to the Committee of the Whole House on the state of the Union.

Mr. BANKHEAD: Committee on Rules. H. Res. 205. A resolution for the consideration of H. R. 11051, a bill to provide for the leasing and other utilization of the Muscle Shoals properties, and for other purposes; without amendment (Rept. No. 1169). Referred to the House Calendar.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GOSS: Committee on Military Affairs. H. R. 5770. A bill for the relief of George Tatum; with amendment (Rept. No. 1154). Referred to the Committee of the Whole House.

Mr. PARKER of Georgia: Committee on Military Affairs. H. R. 1825. A bill for the relief of William M. Stoddard; with amendment (Rept. No. 1155). Referred to the Committee of the Whole House.

Mr. CHIPERFIELD: Committee on Military Affairs. H. R. 2445. A bill for the relief of Clarence R. Killion; with amendment (Rept. No. 1156). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H. R. 6461. A bill for the relief of Frank D. Whitfield; with amendment (Rept. No. 1157). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H. R. 9175. A bill for the relief of Clifton C. Cox; with amendment (Rept. No. 1158). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 589. A bill for the relief of Ernest Linwood Stewart; with amendment (Rept. No. 1159). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1567. A bill to reimburse Dominic Fracapane for injuries sustained in an accident with a Government-owned motor truck; without amendment (Rept. No. 1160). Referred to the Committee of the Whole House.

Mr. BACON: Committee on Claims. H. R. 4040. A bill for the relief of Horace G. Knowles; without amendment (Rept. No. 1161). Referred to the Committee of the Whole House.

Mr. PITTINGER: Committee on Claims. H. R. 4067. A bill for the relief of John Pitkanen; with amendment (Rept. No. 1162). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 7040. A bill for the relief of Sadie Bermi; with amendment (Rept. No. 1163). Referred to the Committee of the Whole House.



Mr. PITTENGER: Committee on Claims. H. R. 7761. A bill for the relief of M. J. Lobert; with amendment (Rept. No. 1164). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 9435. A bill for the relief of Frank A. Fain; without amendment (Rept. No. 1165). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 10113. A bill authorizing adjustment of the claim of Joseph E. Bourrie Co.; without amendment (Rept. No. 1166). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. H. R. 10170. A bill authorizing adjustment of the claim of Joseph T. Ryerson & Son (Inc.); without amendment (Rept. No. 1167). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado: A bill (H. R. 11717) providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes; to the Committee on the Territories.

By Mr. HAWLEY: A bill (H. R. 11718) to amend the act entitled "An act to regulate foreign commerce by prohibiting the admission into the United States of certain adulterated grain and seeds unfit for seeding purposes," approved August 24, 1912, as amended, and for other purposes; to the Committee on Agriculture.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COOPER of Ohio: A bill (H. R. 11719) for the relief of William Givens; to the Committee on Naval Affairs.

By Mr. DAVENPORT: A bill (H. R. 11720) granting an increase of pension to Florence M. French; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 11721) providing for a survey of the port of entrance of Tillamook Bay in Oregon; to the Committee on Rivers and Harbors.

By Mr. MAY: A bill (H. R. 11722) granting a pension to Emaline Gambrel; to the Committee on Invalid Pensions.

By Mr. PARKER of New York: A bill (H. R. 11723) granting an increase of pension to Mary A. Smith; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 11724) granting a pension to Joseph M. Harr; to the Committee on Pensions.

By Mr. RAGON: A bill (H. R. 11725) to authorize the presentation of the medal of honor to Dr. Samuel G. Boyce; to the Committee on Military Affairs.

By Mr. SHANNON: A bill (H. R. 11726) for the relief of Helen Marie Lewis; to the Committee on Claims.

Also, a bill (H. R. 11727) granting a pension to David Huffman; to the Committee on Pensions.

By Mr. TURPIN: A bill (H. R. 11728) granting an increase of pension to Lucy Deiter; to the Committee on Invalid Pensions.

By Mr. YON: A bill (H. R. 11729) granting a pension to John Rance; to the Committee on Pensions.

Also, a bill (H. R. 11730) granting a pension to Martha Kimmy; to the Committee on Invalid Pensions.

By Mr. WELCH of California: Resolution (H. Res. 207) to pay Helen Glynn, daughter of Theresa C. Glynn, six months' compensation and an additional amount not to exceed \$250 to defray funeral expenses of the said Theresa C. Glynn; to the Committee on Accounts.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7235. By Mr. ANDREWS of New York: Resolution adopted by the Royalton Township Taxpayers Association, of Niagara

County, N. Y., urging reduction of Federal expenditures; to the Committee on Economy.

7236. By Mr. BRUNNER: Resolution of Colfax Gardens Civic Association, approving H. R. 316, known as the Huddleston bill; to the Committee on Banking and Currency.

7237. By Mr. BURDICK: Petition of 189 citizens of Rhode Island, protesting against reduction of Federal salaries; to the Committee on Economy.

7238. By Mr. CULLEN: Petition of the aeries of southwestern Washington, Fraternal Order of Eagles, approving and acclaiming a plan of home ownership and the creation of Federal home-loan banks under the supervision of the United States Government, to provide funds for home building on suburban tracts for the little fellow, or refinancing city homes, and the rate of interest on these loans shall not be more than 4½ per cent per annum; to the Committee on Banking and Currency.

7239. By Mr. FITZPATRICK: Petition of the officers and men of engine company No. 2 of the city of Yonkers, N. Y., protesting against any curtailment of privileges and reduction of salaries of Federal employees; to the Committee on Economy.

7240. Also, petition of the Fleet Reserve Association, Branch No. 26, New York City, J. H. Van Slycke, secretary, urging the complete payment in cash of the soldiers' bonus; to the Committee on Ways and Means.

7241. By Mr. GRANFIELD: Petition of citizens of Springfield, Mass., urging the immediate payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

7242. By Mr. HALL of North Dakota: Resolution of the Commercial Club of Wahpeton, N. Dak., protesting against a discontinuance of the appropriations for vocational education; to the Committee on Education.

7243. By Mr. JAMES: Telegram from L. C. Broyell, Alice Olson, Dorothy O'Brien, Art Uren, Daniel P. Monahan, Lawrence Hartley, Hilding Swanson, and Albert Christianson, opposing pay cuts as embodied in Economy Committee's pay cut bill; to the Committee on Economy.

7244. Also, telegram from Richard M. Jopling Post, No. 44, Marquette, Mich., through George A. Hager, adjutant, opposing any reduction of benefits for disabled veterans; to the Committee on Ways and Means.

7245. Also, telegram from Lodge No. 782, Brotherhood of Railroad Trainmen, of Houghton, Mich., through P. Stinmetz, secretary, opposing any form of sales tax that will impose further burden upon workers of our country, and also opposing reduction of salaries of Government employees; to the Committee on Economy.

7246. By Mr. KVALE: Petition of Order of Railway Conductors of America, Division No. 563, Willmar, Minn., urging enactment of House bill 9891; to the Committee on Interstate and Foreign Commerce.

7247. Also, petition of Post No. 59 of the American Legion, Montevideo, Minn., protesting against any reduction in compensation or hospitalization benefits for disabled service men; to the Committee on Economy.

7248. Also, petition of Minneapolis Typographical Union, No. 42, protesting against the printing by the Government of stamped envelopes for private use; to the Committee on Printing.

7249. Also, petition of Minneapolis Typographical Union, No. 42, protesting against cuts in salaries of Government employees; to the Committee on Economy.

7250. Also, petition of presbytery of Mankato, at convention at Pipestone, Minn., protesting against any change in the present prohibition law; to the Committee on the Judiciary.

7251. Also, petition of Lizzie A. Bigham, Woman's Christian Temperance Union, Russell, Minn., urging enactment of House bill 9986, Federal supervision of motion pictures; to the Committee on Interstate and Foreign Commerce.

7252. Also, petition of American Legion Auxiliary, Maynard, Minn., urging immediate payment of adjusted-service certificates; to the Committee on Ways and Means.



7253. Also, petition of American Legion Auxiliary, Maynard, Minn., urging enactment of the widows and orphans' pension bill; to the Committee on World War Veterans' Legislation.

7254. Also, petition of Hamlin Local No. 103, Farmers Educational and Cooperative Union of America, Lac qui Parle County, Minn., urging passage of the Frazier bill, S. 1197; the Wheeler bill, S. 2487; and the Swank bill, H. R. 7797, and protesting against the Federal gas tax, commodity tax, and sales taxes of any variety; to the Committee on Banking and Currency.

7255. Also, petition of 36 residents of Alexandria, Minn., urging immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

7256. Also, petition of Benson Post, No. 1403, Veterans of Foreign Wars, Benson, Minn., urging enactment of the widows and orphans' bill; to the Committee on Pensions.

7257. Also, petition of rural-mail carriers of Litchfield, Minn., protesting against reduction in maintenance allowance to rural letter carriers; to the Committee on Economy.

7258. Also, petition of Minnesota Department, United Spanish War Veterans, protesting against any legislation reducing pensions or benefits to veterans; to the Committee on Economy.

7259. Also, petition of Benson Post, No. 1403, Veterans of Foreign Wars, Benson, Minn., urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7260. By Mr. LAMNECK: Petition of C. R. Percival, Hope D. Waltz, J. J. Tharp, and numerous other citizens of the city of Columbus, Ohio, petitioning Congress to enact such legislation at this time as is necessary to curb the activities of the growing monopolistic organizations known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

7261. Also, petition of Mary Tharp, Don W. Craig, W. R. Jenkins, and numerous other citizens of the city of Columbus, Ohio, petitioning Congress to enact such legislation at this time as is necessary to curb the activities of the growing monopolistic organizations known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

7262. By Mr. MEAD: Petition of citizens of the nineteenth congressional district of Pennsylvania, opposing any proposed reduction in salaries of Federal employees; to the Committee on Ways and Means.

7263. By Mr. NIEDRINGHAUS: Petition of 15 citizens of St. Louis, Mo., urging support of House bill 7117 for the repeal of section 15a of the transportation act of 1920 (the recapture clause); to the Committee on Interstate and Foreign Commerce.

7264. By Mr. RUDD: Petition of Ruth M. Earles, legislative chairman, American Legion Post and Auxiliary, No. 142, Jamaica, N. Y., opposing reduction of appropriation as contained in the economy bill for disabled veterans; to the Committee on Economy.

7265. Also, petition of Ancell H. Ball, New York City, opposing the income and inheritance taxes and favoring a sales tax; to the Committee on Ways and Means.

7266. Also, petition of E. H. Outrebridge, New York City, favoring the passage of the Bachman bill, H. R. 1967; to the Committee on Immigration and Naturalization.

7267. Also, petition of William A. Leonard Auxiliary, No. 422, American Legion, Flushing, Long Island, N. Y., opposing the reduction of appropriation for hospitalization and compensation for disabled veterans; to the Committee on Economy.

7268. Also, petition of United Commercial Travelers of America, Jamaica Council, No. 460, favoring the passage of House bill 8688; to the Committee on Ways and Means.

7269. Also, petition of Luckenbach Steamship Co. (Inc.), New York City, favoring the passage of House bills 8688 and 10236; to the Committee on Ways and Means.

7270. Also, petition of Columbia Typographical Union, No. 101, Washington, D. C., opposing section 207, title 2; to the Committee on Economy.

7271. Also, petition of the home-loan resolution of the Fraternal Order of Eagles of southwestern Washington, referring to home ownership and the creation of Federal home-loan banks; to the Committee on Banking and Currency.

7272. Also, petition of Frank B. Irvin, 104-158 Ninetieth Avenue, Richmond Hill, Long Island, N. Y., and 37 other citizens of the Greater City of New York, favoring legislation to regulate motor trucks engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

7273. By Mr. SHOTT: Letters from 44 citizens of Mullens, Bluefield, Princeton, and Tralee, W. Va., opposing as detrimental to the bituminous-coal industry and therefore the coal-carrying railroads, the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7274. Also, letter from W. L. Cole, E. M. Campbell, J. H. Sawyers, and J. W. Hare, of Cliff Yard, W. Va., opposing as detrimental to the bituminous-coal industry, and therefore to the coal-carrying railroads, the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7275. Also, resolution of the Warrior Safety Club, of Warriormine, W. Va., composed of 514 employees and signed by G. D. Davidson, president, and Z. S. French, secretary, opposing passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7276. Also, letter signed by Roy Willard, B. C. Courtney, H. H. Coleman, Frank Harmon, Garnet B. Stevens, jr., and Jeff Lockhart, representing 42 shop employees on the Norfolk & Western Railway, Jaeger, W. Va., opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7277. Also, resolution adopted by the Williams Pocahontas Mine Safety Club, of War, W. Va., signed by H. E. Ewing, president, and P. A. Pilkenton, secretary, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7278. Also, resolution adopted by the Sprague Safety Club, Sprague, W. Va., with a membership of 273, opposing the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7279. Also, resolution of the Price Hill Safety Club, Price Hill, W. Va., representing a membership of 111, opposing the passage of the bill known as the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7280. Also, resolution of the Gilliam Safety Club, Gilliam, W. Va., representing a membership of 120, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7281. Also, resolution adopted by the Cranberry Safety Club, of Cranberry, W. Va., representing 300 members, opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7282. Also, resolution passed by the Skelton Safety Club, Skelton, W. Va., with a membership of 250, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7283. Also, resolution adopted by the Gauley Mountain Safety Club, of Ansted, W. Va., with a membership of 281, opposing as detrimental to the bituminous-coal industry the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7284. Also, resolution adopted by the Earling Mine Safety Club, Earling, W. Va., with a membership of 200, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7285. Also, resolution adopted by the Mahan Safety Club, Mahan, W. Va., of 180 members, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7286. By Mr. SWANSON: Petition of B. R. Hammond and others, of Walnut, Iowa, favoring the honest dollar bill; to the Committee on Banking and Currency.